Ref No: APSEZL/SECT/2021-22/37

June 19, 2021

BSE Limited
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400001

National Stock Exchange of India Limited
Exchange plaza,
Bandra-Kurla Complex,
Bandra (E), Mumbai – 400051

Scrip Code: 532921

Scrip Code: ADANIPORTS

Sub: Notice of the 22nd Annual General Meeting along with Integrated Annual Report of the Company for the financial year 2020-21.

Dear Sir,

The 22nd Annual General Meeting ("AGM") of the Company will be held on Monday, July 12, 2021 at 10.00 a.m. through Video Conferencing / Other Audio Visual Means.

Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report of the Company along with the Notice of AGM for the financial year 2020-21 which is being sent only through electronic mode to the Members.

The Integrated Annual Report containing the Notice is also uploaded on the Company's website www.adaniports.com

We would further like to inform that the Company has fixed Monday, July 5, 2021 as the cut-off date for the purpose of remote e-voting, for ascertaining the names of the Shareholders holding shares either in physical form or in dematerialized form, who will be entitled to cast their votes electronically in respect of the businesses to be transacted at the AGM.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For Adani Ports and Special Economic Zone Limited

Kamlesh Bhagia
Company Secretary

Adani Ports and Special Economic Zone Ltd. AHMEDABAD

Encl: a/a

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 2656 5555
Fax +91 79 2555 5500
info@adani.com
www.adaniports.com

Our Company Intends to Emerge as the World's Largest Private Port Company by 2030

Adani Ports and Special Economic Zone Limited
Integrated Annual Report 2020-21

adani
Ports and Logistics

This Integrated Annual Report of Adani Ports and Special Economic Zone Limited explains the contribution of the company towards the national economy in a little more than two decades, its performance during a challenging year under review and the acquisition of new ports likely to drive prospective growth. More than the performance, the report provides a holistic understanding of how the company catalyses the local economy, community and environment standards, validating the company's positioning as a responsible corporate citizen

Contents

Adani Ports and Special Economic Zone Limited went into business in 1998.

The Company intends to emerge as the world's largest private port company by 2030.

Boldness transforms everything.

Part 1

Our pride and pedigree

Where we come from and what we have achieved


adani
STS-02

CORPORATE SNAPSHOT

Adani Ports and Special Economic Zone Limited is more than just another port and logistics service provider.

It has emerged as an industry proxy and a barometer of the national economy.

One of the most attractive port companies in the world

One of the world's five fastest growing port companies

Among the world's most profitable port companies by EBITDA margin

The undisputed leader in the Indian ports sector

Our business

Adani Ports and Special Economic Zone Limited (APSEZ) is the largest commercial port operator and integrated logistics player in India.

The Company has evolved from a single port dealing in a single commodity to an integrated logistics platform.

The Company's integrated services (across ports, logistics and SEZ) have empowered it to forge alliances with leading Indian businesses, making it an undisputed leader in the Indian ports sector.

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.

Presence

APSEZ is India's largest port developer and operator comprising 12 ports and terminals and 498 MMT of augmented capacity. The Company also possesses the largest container handling facility in India.

Nearly 67% of the Company's capacity is on the west coast of India and 33% 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 and Myanmar 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 the requisite ancillary equipment and pipelines.

APSEZ (through subsidiary Adani Logistics Ltd.) operates five logistics parks at Patli in Haryana, Kilaraipur and Kanech in Punjab, Kishangarh in Rajasthan and Malur in Karnataka with 4,00,000 sq. ft of warehousing space. 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 and development of about 0.87 MMT. A logistics park – the largest in India – is planned on the outskirts of Ahmedabad.

National port proxy

The Company accounted for around 25% of India's port cargo movement as on March 31, 2021.

The complement of ports makes it possible for the Company to service 90% of the national economic hinterland.

The Company has grown at 3x the growth of the industry over past seven years.

Infrastructure and services

APSEZ's port facilities are equipped with the latest cargo-handling infrastructure capable of handling the largest vessels. Its ports are also equipped to handle diverse cargos comprising dry cargo, liquid cargo, crude and containers.

The Company manages a comprehensive logistics chain - from vessels management to anchorage pilotage, tug pulling, berthing, goods handling, internal transport, storage and handling, processing and final evacuation by road or rail.

APSEZ has evolved into a provider of integrated port infrastructure services, which has enabled it to enter alliances with leading Indian businesses to provide comprehensive logistics solutions.

Respect

APSEZ is respected for having grown from scratch a little more than two decades ago to emerge as the largest port operator in India and among the five fastest growing port operators in the world.

The Company is respected for setting benchmarks in the turnaround time across the industry; its turnaround time at the Mundra port is nearly a third of peers.

The Company is also respected for reporting what is possibly the world's best port company EBIDTA margin of over 70%.

Environment-Social-Governance

The Company's ESG commitment has been marked by Independent Board of Directors.

The Company formed a Sustainability and Corporate Social Responsibility Committee.

The Company strengthened its risk management through the application of COSO2 principles.

The Company's disclosures are as per 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 employed 2,773 individuals as of March 31, 2021. The average tenure of an employee in the organisation was 8.1 years as on that date; more than 74% of the employees possessed engineering or professional degrees at the close of FY 2020-21.

Acquisitions

In FY 2020-21, APSEZ acquired 15% of its existing operational capacity as it stood on March 31, 2021. The Company completed 75% acquisition of Krishnapatnam port and entered into a definitive agreement for the acquisition of the balance 25% at an Enterprise Value of ₹13,675 crore. APSEZ completed its Dighi port acquisition in FY 2020-21 for ₹705 crore and announced plans to acquire the Sarguja Rail Corridor and Gangavaram Port.

Credit and ESG rating

International rating	S&P provided APSEZ with a long-term foreign currency issuer credit rating of BBB-/ stable.	Moody's provided APSEZ with a long-term foreign currency issuer rating of Baa3/ stable.	Fitch provided APSEZ with a long-term foreign currency issuer default rating of BBB-/ stable.
Domestic rating	ICRA, India Ratings & Research, CARE provided APSEZ with long-term facilities and NCD rating of AA +/ stable.	ICRA, India Ratings & Research provided APSEZ with an A1+ rating for short-term facilities like commercial paper.	
ESG rating	CDP provided APSEZ with a rating of B-/ Management Band in the Climate Change 2020 disclosure.	CDP provided APSEZ with a rating of B+/ Management Band in the Water Security 2020 disclosure.	CDP provided APSEZ with a rating of B+/ Management Band in the Supplier Engagement Rating 2020.
	S&P Global DJSI provided APSEZ with a score of 55 out of 100 in Corporate Sustainability Assessment (CSA) 2020.	Sustainalytics provided APSEZ an ESG Risk Rating of 13.71, which signifies APSEZ is in low risk category.	MSCI provided APSEZ with a CCC rating.

Corporate social responsibility

APSEZ has been striving to create sustainable opportunities for marginalised communities for over two decades, touching more than 2,300 villages in 18 States across India through its social arm Adani Foundation. The Foundation provides quality education, health interventions, sustainable livelihoods and rural infrastructure development. The Foundation also implemented four special projects (Saksham, Swachhagraha, SuPoshan and Udaan).

Key numbers

11	25*	12	16
Number of operating ports out of 12 APSEZ ports and terminals in India	Percentage of total cargo market share in India	million TEU equivalent capacity, FY 2020-21	Percentage increase in container volumes, FY 2020-21

*As per internal estimates, excluding non-Adani and coastal, LNG, LPG volumes

What we achieved in 2020-21

Krishnapatnam port acquisition

The Company completed 75% acquisition of Krishnapatnam port and entered into a definitive agreement for the acquisition of the balance 25% stake for an Enterprise Value of ₹13,675 crore. Krishnapatnam is India's second largest commercial port in the private sector in India and the largest private port on the east coast of India. The acquisition established the Company as a significant player on the east coast. The Company is operating at a capacity of 64 MMT; the port has an approved master plan for 300 MTPA; the Company plans to take annual throughput above 100 MMT in a few years.

Dighi port acquisition

The Company completed the acquisition of Dighi port in February 2021 for ₹705 crore under the Corporate Insolvency Resolution Plan, the twelfth port to join the Company's chain of economic gateways across eastern and western coasts of India. This acquisition will establish the Company's footprint in Maharashtra, the largest contributor to India's GDP. The Company plans to invest ₹10,000 cr and develop Dighi port as an alternative gateway to Jawaharlal Nehru Port Trust (JNPT) operations in Navi Mumbai.

First capital market issuance by a joint venture Company

The Company issued project finance style overseas bonds with a final maturity in February 2031 for the Adani International Container Terminal Private Limited; the total issue size was USD 300 million to refinance its borrowings.

Strategic partnerships

The Company strengthened partnerships with leading ship liners, resulting in the highest ever container volume of 7.2 million TEUs leading to a market share of 41% (gain of around 5%).

Expanding logistics footprint

The Company's logistics business diversified its portfolio by scaling railway rolling stock through GPWIS, venturing into the warehousing business by partnering Flipkart, developing state-of-the-art MMLPs and consolidating railway track assets with annuity incomes. The Company emerged as India's first private sector rail track Company by acquiring SRCPL to invest in strategic rail lines under the PPP model.

Global debt mobilisation

As a part of refinancing the debt in Krishnapatnam port and refinancing the upcoming bond maturity in January 2022, the Company raised USD 1,250 million from an overseas bond issuance in July 2020 and January 2021.

Opex cost optimisation

The Company is moving from fixed costs to variable costs wherever possible, renegotiating operational contracts through re-engineering, reducing built-in escalation and redeploying manpower and machines. The Company digitised processes and improved resource utilisation to optimise costs, which strengthened EBIDTA margin by 100 bps and is likely to expand 200-250 bps following increased volumes in the next few years.

Foray into Sri Lanka

The Company widened its international foray through a container terminal at the Colombo port, receiving a letter of intent for developing the Western Container Terminal.

Mundra, the largest container throughput port

The Company's Mundra port, the largest commercial port in India, emerged as the largest container handling port in FY 2020-21 (surpassing JNPT) with a market share of 32% (gain of around 5%).

ASSET INFRASTRUCTURE

APSEZ's integrated universe

A comprehensive network of ports, terminals, industrial land and logistics infrastructure

Ports

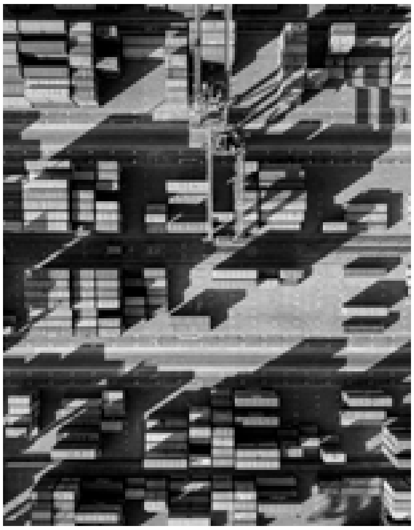
Concession assets with free pricing	Total installed capacity under operation of 480MMTPA	Handling multi- and complex cargo	92.1% Revenue contribution

Logistics

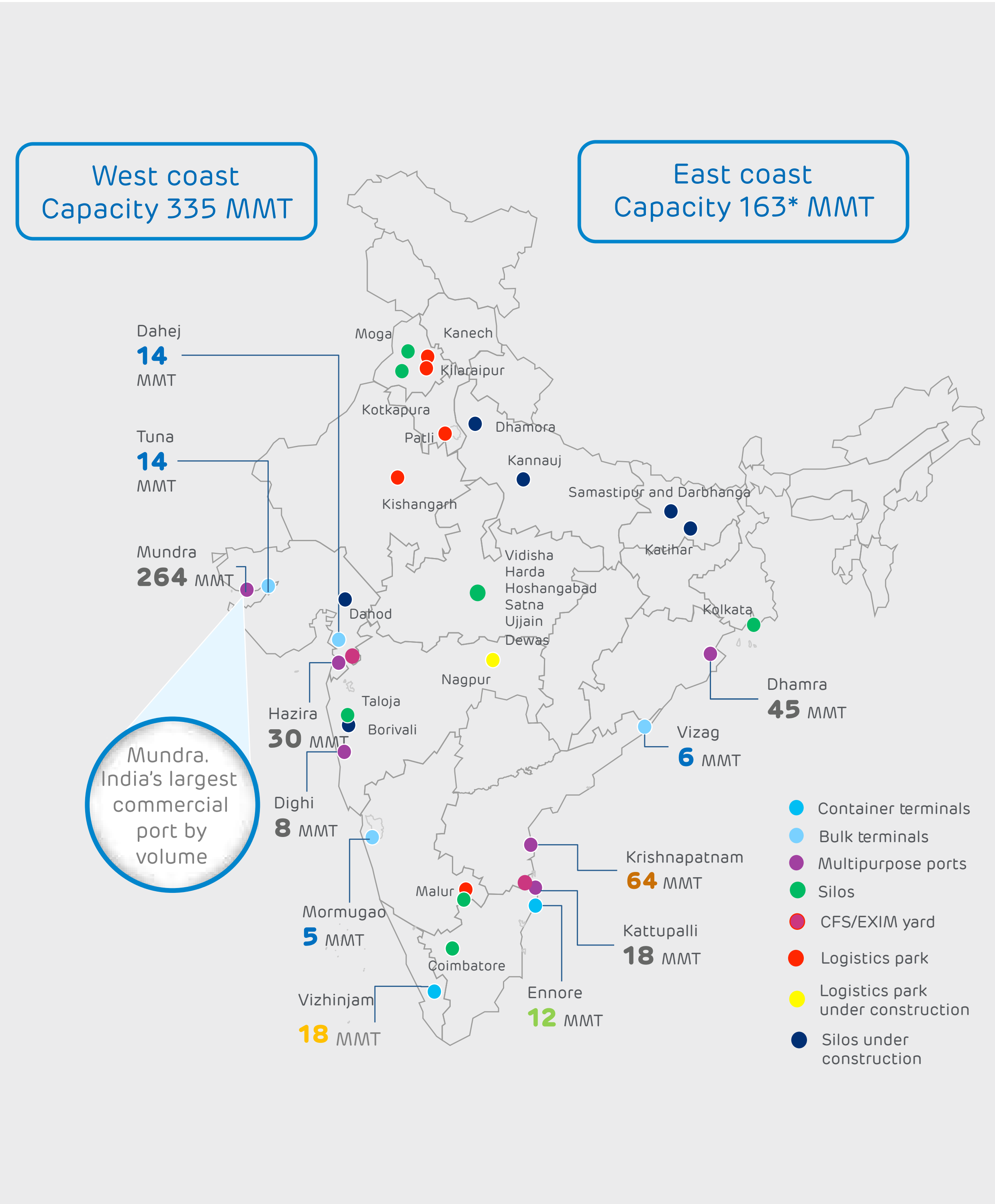
20-year license to operate rails	Enhancing connectivity between ports and origin / destination of cargo	7.6% Revenue contribution

SEZ & land

Land bank of 12,000+ hectares (including SEZ land of 8,481 hectares)	Integration with port; developing industry cluster	Regular revenue stream through annual rentals and upfront premium	0.3% Revenue contribution



The complement of our ports and terminals



Mundra port

- Deep-water, all-weather, berthing-on-arrival port in the Gulf of Kutch
- 26 berths and two single-point moorings with an annual capacity to handle 264MMT cargo with dedicated terminals for different cargo and commodity types
- World's largest coal import terminal
- Equipped to handle dry bulk, break bulk, project cargo, liquid, containers, automobiles and crude
- Connected to the Indian National Highway (NH) network through State Highway 48 via Anjar and State Highway 6
- Natural gateway to the cargo hubs in northern and western hinterlands of India
- Four additional services introduced during the year will add 4,00,000 TEUs annually
- Enhanced cargo volume growth 4% and container volume 18% in FY 2020-21
- 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

264 MMTPA
Installed capacity

Dhamra port

- Deep-water, all-weather multi-user, multi-cargo port situated on the east coast of India between the Haldia and Paradeep ports
- Four berths with an annual capacity to handle 45 MMT cargo
- Equipped to handle dry bulk, break bulk, project cargo and containers
- Proximity to the mineral belts of Odisha, Jharkhand and West Bengal helps service hinterlands
- Potential to handle 100+ MMTPA of dry bulk, liquid bulk, break bulk, containerised and general cargo
- Rapid loading silos with a capacity of up to 4,000 TPH
- Rainwater harvesting capacity of 6.7 lakh KL, state-of-the-art waste reception facility, 140KLD of wastewater treatment capacity and certified single-use plastic-free port

45 MMTPA
Installed capacity

Hazira port

- Deep-water port located in the Gulf of Khambat, 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
- Potential to handle 75 MMTPA of cargo
- Added two new services in containers, namely 'Arabian Star Service' and 'Blue Line'
- Additional liquid tank farm capacity operationalised and 1,18,620 KL completed
- 5.6 MW renewable power installation, state-of-the-art waste reception facility, 125KLD of wastewater treatment capacity and certified single-use plastic-free port

30 MMTPA
Installed capacity

Dahej port

- Deep-water, multi-cargo port off the Gulf of Khambat, Gujarat
- Capacity to handle 14 MMTPA with two dry and break bulk berths and dedicated facilities for handling project cargo
- 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 8 through a six-lane State Highway 6
- Connected to the contiguous industrial hubs of Gujarat, Maharashtra and eastern Madhya Pradesh
- Ro-Ro Jetty for project cargo movement, 9.8 km long fully integrated high-speed conveyor
- Entered into a medium-term contract to handle coal for a cement company
- 3MW renewable power, state-of-the-art waste reception facility, 80KLD of wastewater treatment capacity and certified single-use plastic-free port

14 MMTPA
Installed capacity

Kattupalli port

- Located on the Coromandel coast about 24 km north of Chennai Port
- Three berths with an annual capacity to handle 18 MMTPA of cargo
- Equipped to handle containers, break bulk and project cargo
- Equipped with Direct Port Delivery (DPD) warehouse within the container yard to provide a seamless movement to Authorised Economic Operator (AEO) and DPD consignments
- Off-dock Container Freight Station (CFS) with 45,000 square feet of closed warehouse
- Commenced liquid terminal operations; handled 80,000 Tonnes of cargo
- 450 KW renewable power installation, 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

18 MMTPA
Installed capacity

Tuna terminal

- 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

14 MMTPA
Installed capacity

Mormugao terminal

- Located on the west coast of India in Goa
- One berth terminal with an annual capacity to handle 5.20 MMTPA cargo
- Permitted to handle coal cargo; adequate infrastructure to handle Panamax and capsize vessels
- Locational advantage in servicing 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

- 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 certified single-use plastic-free port

Vizag terminal

- Located on the east coast of India in State of Andhra Pradesh
- One berth located in the northern arm of the inner harbour of Vishakhapatnam Port Trust with a capacity to handle 6.41 MMTPA
- Permitted to handle coal cargo; capable of berthing Panamax vessels
- Strong rail-road connectivity to the hinterlands of Andhra Pradesh, Telangana, Chhattisgarh and Odisha
- 280m berth, two harbour mobile cranes, 2.22 km conveyor, two stacker-and-reclaimers with mechanised wagon loading facility and large storage land area

5.20 MMTPA
Installed capacity

12 MMTPA
Installed capacity

6.41 MMTPA
Installed capacity

Krishnapatnam port

- Located on the east coast of India in Nellore district of Andhra Pradesh (~180 km from Chennai Port)
- All-weather, deep water port has multi-cargo facility with current 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 bench marked to APSEZ's philosophy resulted in expansion of margin to 71% 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

Dighi port

- The port will empower APSEZ to service customers in Maharashtra, North Karnataka, West Telangana and Madhya Pradesh
- Equipped to handle 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

Vizhinjam port

- Deep draft, all-weather under construction port in South Kerala is under development
- First phase capacity of the port will be 18 MMTPA
- Proposed zero-waste-to-landfill and single-use plastic-free port from the commencement of operations

64 MMTPA
Installed capacity

8 MMTPA
Installed capacity

18 MMTPA
Installed capacity

PERFORMANCE REVIEW

How we grew our business during a challenging FY 2020-21

Financial

- Consolidated operating revenue improved 6% to ₹12,550 crore
- Ports revenue strengthened 12% to ₹10,739 crore
- Net debt-to-EBITDA was 3.3x (within the guided range of 3 to 3.5)

Operational

- Cargo throughput was 247 MMT, growth of 11%
- Handled record container volume of 7.2 million TEUs, registering 16% growth
- Mundra remained India's largest commercial port, handling 144 MMT of cargo volume and growing 4% on a large base.
- Dhamra port registered cargo growth of 9% and handled its highest cargo volume of 32 MMT
- Mundra LNG and LPG commenced operations in FY 2019-20; handled 1.75 MMT and 0.8 MMT, respectively during the year

Acquisitions

- In FY 2020-21, APSEZ acquired 15% of its existing operational capacity (as it stood on March 31, 2021). The Company completed the 75% acquisition of the Krishnapatnam port and entered into a definitive agreement for the acquisition of the balance 25% stake at an Enterprise Value of ₹13,675 crore.
- APSEZ completed the acquisition of the Dighi port for ₹705 crore and announced the acquisition of the Sarguja Rail Corridor and Gangavaram port.

REPORT PROFILE

Approach to Integrated Reporting

This is our second 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.

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 the

global commitment to combat climate change and align it to TCFD recommendations. It covers the financial year from April 01, 2020, to March 31, 2021.

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 85 entities while the ESG parameters being reported for India operations covers 31 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 Deloitte Haskins & Sells LLP 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 changes in government policies, 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 85 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

The multi-business Adani Group is one of the most dynamic industrial conglomerates in India.

Engaged in nation building

Enhancing stakeholder value

Enriching communities of its presence

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 business

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

The promoter

The Adani Group has been promoted by the visionary industrialist Mr. Gautam Adani. The group was founded by Gautam Adani in 1988 as a commodity trading business, the flagship company being Adani Enterprises Limited (previously Adani Exports Limited).

The Adani Group

The Adani Group is a diversified industrial conglomerate in India with a combined market capitalisation of USD 91 billion as on March 31, 2021, comprising six publicly traded companies. The Group's extensive business interests across India's infrastructure sector – transport, logistics, energy and utilities – possess a proven track record of excellence in business development, construction and maintenance. The Group comprises among the largest infrastructure and utility portfolios in the world. There has been a gradual shift in the business mix from B2B to B2C with the Group engaged in agro commodities and ancillary industries, gas distribution across geographies in India, electricity distribution that powers the financial capital of India, and the airports business that will manage and develop eight airports in India. The Group is also engaged in the digital, road building, water and data centre businesses.

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.

The visibility

The Adani Group comprises six publicly traded companies that were collectively valued at a market capitalisation of USD 91 billion as on March 31, 2021.

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.

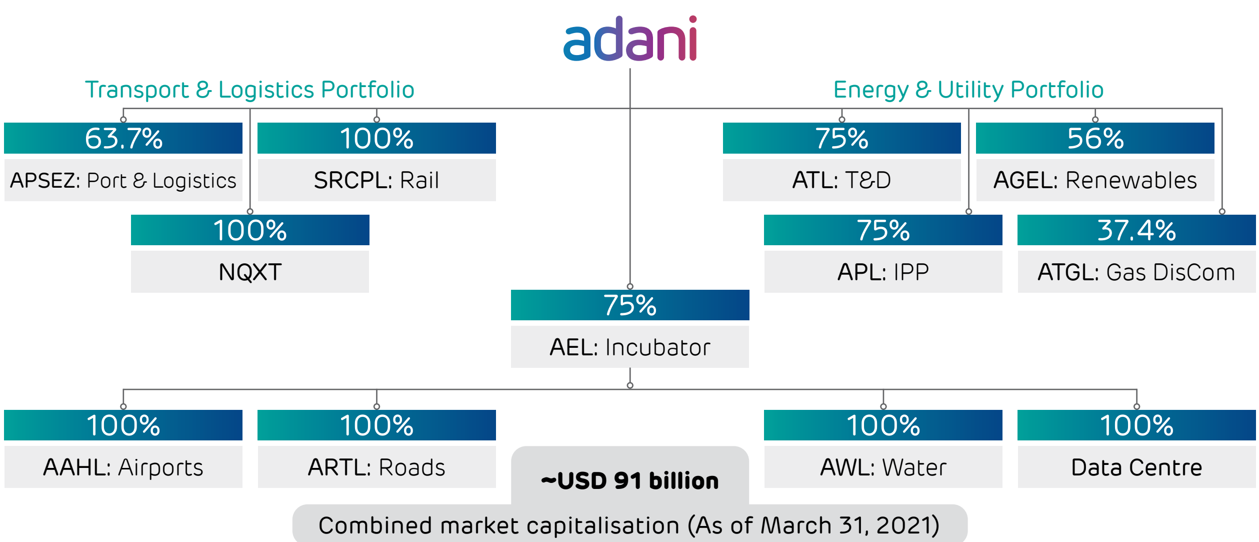
The core philosophy

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 Group: A world class infrastructure & utility portfolio



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: To operate, manage and develop eight airports in the country

Locked in Growth

Transport & logistics: Airports and Roads

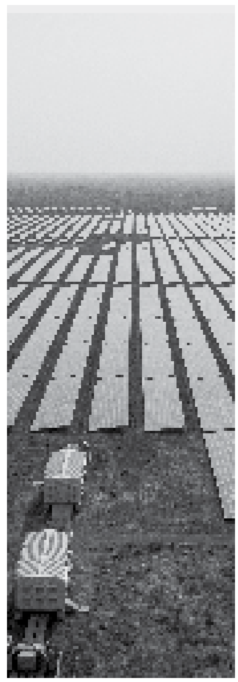
Energy & Utility: Water and Data Centre

APSEZ: Adani Ports and Special Economic Zone Limited
NQXT: North Queensland Export Terminal
SRCPL: Sarguja Rail Corridor Pvt Ltd
AAHL: Adani Airports Holdings Ltd
ATL / APL / AGEL / ATGL: Adani Transmission / Power / Green Energy / Total Gas Ltd.
AEML: Adani Electricity Mumbai Ltd
ARTL: Adani Road Transport Ltd
AWL: Adani Water Ltd
T&D: Transmission and Distribution
IPP: Independent Power Producer

Opportunity identification, development and beneficiation is intrinsic to diversification and growth of the group

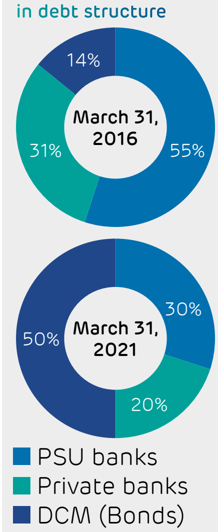
Adani Group: Repeatable & proven transformative investment model

Phase	Development		Operations	Post operations
Origination	Site development	Construction	Operation	Capital management
Activity				
▪ Analysis & market intelligence ▪ Viability analysis ▪ Strategic value	▪ Site acquisition ▪ Concessions and regulatory agreements ▪ Investment case development	▪ Engineering & design ▪ Sourcing & quality levels ▪ Equity & debt funding projects	▪ Life cycle O&M planning ▪ Asset management plan	▪ Redesigning the capital structure of the asset ▪ Operational phase funding is consistent with asset life
Performance				
▪ India's largest commercial port (at Mundra) ▪ Highest margin among peers	▪ Longest private HVDC line in Asia (Mundra to Mahendragarh) ▪ Highest line availability	▪ 648 MW ultra mega solar power plant (at Kamuthi, Tamil Nadu) ▪ Constructed and commissioned in a record nine months	▪ Energy Network Operation Centre (ENOC) enables a centralised continuous monitoring of projects and installations on a single cloud-based platform	▪ In 2020-21, APSEZ and its joint venture AICTPL issued three bonds amounting to USD 1.55 billion international bonds with 5-10 year maturity, elongating maturity profile and reducing the weighted average cost of capital ▪ AGEL's issuance of USD 1.35 billion revolving project finance facility will fully fund its entire project pipeline



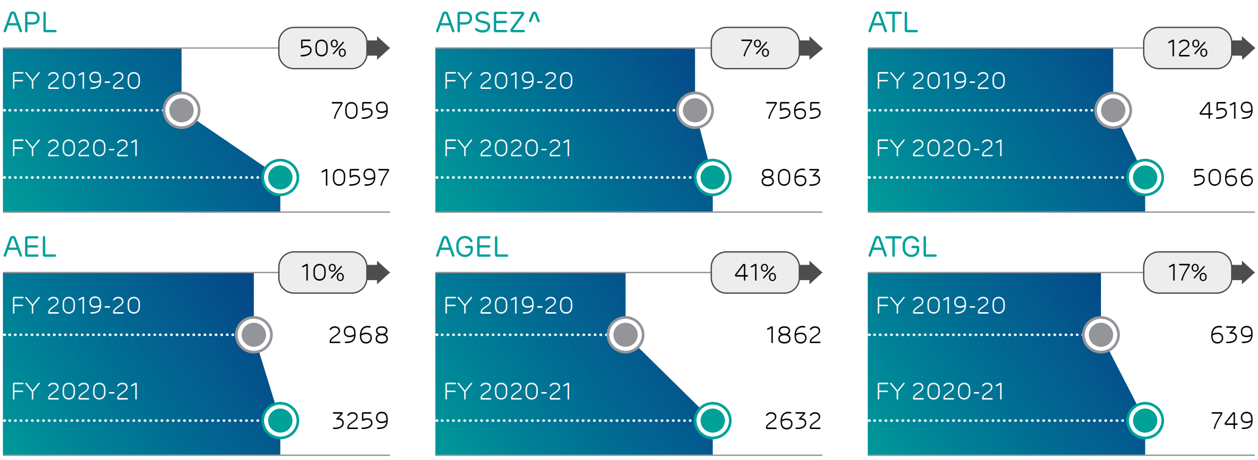
All listed entities maintain a liquidity cover of 1.2x- 2x as a matter of policy

Share of institutions in debt structure



How Adani Group companies performed in a challenging 2020-21

EBIDTA growth

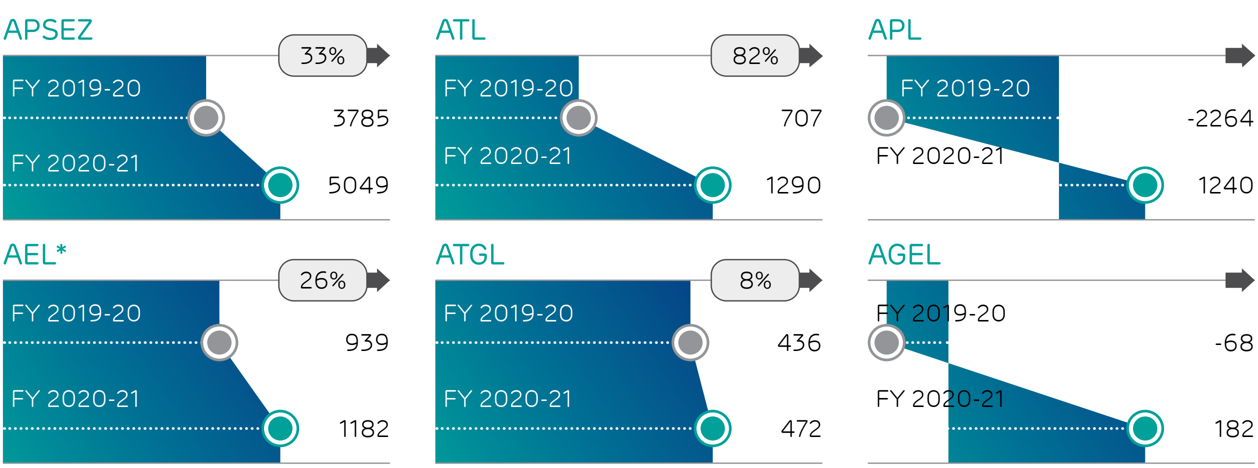


Strong growth in the consolidated EBITDA of the listed companies of the Group by 22% in FY 2020-21 demonstrates the utility nature of the businesses

- APL EBITDA improved due to improved merchant tariffs, lower imported coal prices and higher prior period income recognition
- AGEL EBITDA grew on account of increased revenue from power supply and O&M cost optimisation
- ATL EBITDA grew due to growth in power transmission EBITDA and higher regulatory income from the power distribution business
- APSEZ EBITDA growth was on account of an increase in cargo volume, operational efficiency and cost restructuring
- AEL EBIDTA grew due to an increase in EBIDTA from the solar manufacturing business

EBITDA includes Other Income. ^APSEZ EBITDA excludes forex gain/loss, other income and one time donation of ₹80 crore. AEL: Adani Enterprises Limited; AGEL: Adani Green Energy Limited; APL: Adani Power Limited; APSEZ: Adani Ports and Special Economic Zone Limited; ATGL: Adani Total Gas Limited; ATL: Adani Transmission Limited

PAT growth



Combined PAT of Adani Group's listed portfolio grew 166% in FY 2020-21

- All portfolio companies registered profit after tax (PAT)
- Adani portfolio PAT grew through the pandemic, underlining the core utility nature of the businesses

**PAT for AEL excludes exceptional items*

The Adani Group platform of excellence, outperformance and leadership

The Adani Group businesses

Transport	Logistics	Energy	Utilities

The Group Adani 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. For instance, the GDP growth that India achieved across nearly 60 years was replicated in the next seven years. This is precisely what is expected going ahead: India is 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 have 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. In 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 widening 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 broad-based competitive advantage that is not dependent on any one factor but is the result of an overarching culture of excellence – the coming together of 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

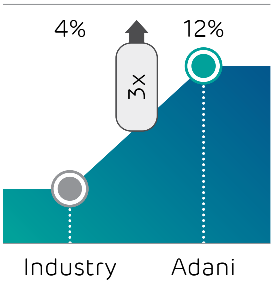
The Adani Group has created a robust financial foundation of owned and borrowed funds (the lowest cost by far for infrastructure building companies in India). This enhanced credibility makes it possible for the Adani Group to mobilise resources from some of the largest global lenders at among the lowest costs. This approach helps transform these marquee institutions from mere lenders to stable resource (fund or growth) providers for the long-term.

Ownership

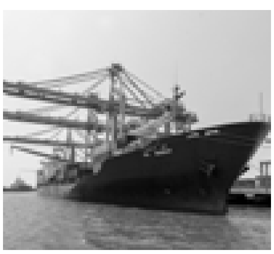
The Adani Group comprises a high promoter ownership, validating a high commitment and ownership in projects.

Adani Group's outperformance

Port cargo throughput growth
(MMT)



	Industry	Adani
2014	972 MMT	113 MMT
2021	1,246 MMT	247 MMT



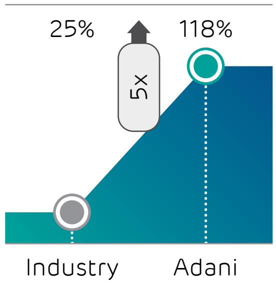
APSEZ

Highest margin among peers global

EBITDA margin: 70%[1,2]

Next best peer margin: 55%

Renewable capacity growth
(GW)



	Industry	Adani
2016	46 GW	0.3 GW
2021	140 GW[9]	14.8 GW[6]

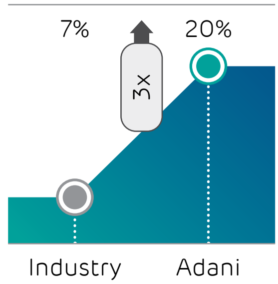
AGEL

World's largest solar energy developer

EBITDA margin: 91%[1,4]

Among the industry's best

Transmission network growth
(ckm)



	Industry	Adani
2016	3,20,000	6,950
2021	4,41,821	17,276

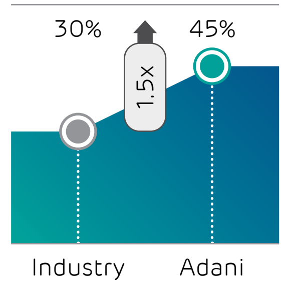
ATL

Highest network availability among peers

EBITDA margin: 92%[1,3,5]

Next best peer margin: 89%

City gas distribution[7] growth
(GAs[8] covered)



	Industry	Adani
2015	62 GAs	6 GAs
2021	228 GAs	38 GAs

ATGL

India's largest private CGD business

EBITDA margin: 41%[1]

Among the best in industry

Transformative model driving scale, growth and free cashflow

Note: 1. Data for 2020-21; **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 enhanced value in FY 2020-21

(share price in ₹)

Movement in the Adani listed portfolio on the stock exchanges in 2020-21

Company	FY 2019-20	FY 2020-21	Change
Adani Total Gas Limited	86	961	1014%
Adani Enterprises Limited	138	1031	649%
Adani Green Energy Limited	153	1105	621%
Adani Transmission Limited	189	908	381%
Adani Power Limited	28	85	207%
Adani Ports and Special Economic Zone Limited	251	702	180%

All Adani portfolio stocks generated a return in excess of 100% and outperformed the index by a significant margin (Nifty-50 generated a return of 71%). 2020-21 stock prices were as of March 31, 2021 and 2019-20 stock price was as of March 31, 2020

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)

Highest

- Ports company enjoying the highest margin among peers
- Highest transmission line availability in India

Quickest

- The 648 MW solar power Kamuthi plant commissioned in only nine months

Longest

- Longest private HVDC line in Asia (Mundra to Mahendragarh)

Our Company intends to emerge as the world's largest private port company by 2030

CHAIRMAN'S MESSAGE

A Time For Pragmatic Optimism

It is hard to believe that a 100-year-old Keynesian statement, made at a time when telecommuting and global e-commerce were not even nebulous ideas, could still ring so true.

'He could order by telephone, sipping his morning tea in bed, the various products of the whole earth, in such quantity as he might see fit, and reasonably expect their early delivery upon his doorstep. He could at the same moment and by the same means adventure his wealth in the natural resources and new enterprises of any quarter of the world.'

This appeared in John Maynard Keynes' influential best-seller *The Economic Consequences of the Peace*, first published in 1919, when the word *globalisation* had not even been coined (it first showed up in its modern meaning only in 1930). The fact is that globalisation did exist even then, except that the pace was sedentary in comparison to today's world.

Some Things Never Change

If Keynes' time is remembered for the gradual globalisation of social and economic life, our time will be remembered for the unbridled pace at which globalisation is enveloping our lives, driven by the ubiquitous reach of the internet. The consequences are still emerging as our world's political, cultural and economic barriers dissolve faster than ever before in a dual solvent of global interdependence and hyper interconnectivity that are creating unprecedented new opportunities, new business models, and several new challenges.

Of all the challenges, however, one of the most significant consequences of globalisation has been pandemics – and the most difficult of them has been COVID-19. While this is no surprise given that pandemics like the Asian Flu of 1957 spread through trade and travel routes, it is obvious that the world was just not prepared for the explosive rate of spread of a pandemic of COVID-19's scale. This has exposed several of the fragilities of global interdependence that will need to be fixed and each country is expected to do it differently.

Curiously though, the remedy for this malady is coming through the process of globalisation, as evidenced by the worldwide collaboration on accelerated genome sequencing, vaccine development, and vaccine manufacturing. Therefore, paradoxically, both the problem and its solution lie in our embrace of globalisation.

Learnings During a Crisis

There is no denying the fact that while COVID-19 has challenged every nation, India's size and population density have made

There is no denying the fact that while COVID-19 has challenged every nation, India's size and population density have made it a harsher challenge.

The Covid-19 pandemic has demonstrated, to most nations across the world, that free market economies cannot be at the cost of self-reliance. We must believe in our own capabilities and must be able to depend on it for economic construction, especially in times of crisis.

Despite a pandemic-induced large-scale disruption in economic activity, all six of our listed entities posted results significantly above market expectations.

it a harsher challenge. Indeed, the pandemic froze economic priorities and forced the world to divert time and resources to manage the crisis, as did India. No one denies that India could have done much better and that every life lost is a tragedy. However, as the world races to vaccinate its people, we see India being criticised repeatedly for not doing enough to protect its own. Sometimes, it is worth keeping in mind that India has more people than the *combined population* of Europe, North America and Oceania. In other words, our country is facing a challenge bigger than what three *continents* are facing at a time when every nation is maximising what it can do for its own people and has far better healthcare infrastructure built over several decades. Given that our vaccination effort is bigger than the combined efforts of *87 countries*, it is only fair to take a step back and determine the scale of the challenge our nation has confronted.

In this context, I believe that the *Atmanirbharta* initiative launched by the Government is a transformational and correct step in our nation's journey. The COVID-19 pandemic has demonstrated, to most nations across the world, that free market economies cannot be at the cost of self-reliance. We must believe in our own capabilities and must be able to depend on it for economic construction, especially in times of crisis. Therefore, the five pillars of *Atmanirbhar Bharat* – Economy, Infrastructure, System, Vibrant Demography, and Demand – are a necessity to ensure our economy builds the intrinsic robustness to manage disruptive black swan events like COVID-19. The definition of a free-market economy will undergo a change in a post-COVID-19 world, and we must unhesitatingly write our own definition. After all, not only is India the world's largest democracy but it is also the world's most unique and boldest experiment with democracy. One size does not fit all and it is increasingly evident that the phenomenon of hyper-globalisation that created the unrealistic expectation of being the panacea for efficient manufacturing and services across the world has been one important cause of much of the inequalities we are witnessing today. Therefore, only when we are able to fully mobilise the efforts of our own people will we be able to develop our economy in a way that we can take advantage of our country's demographic dividends that we have not yet been able to fully unleash. COVID-19 is a wakeup call for all of us to transform ourselves. There cannot be a better time for us to commence the journey towards true self-reliance *(Atmanirbharta)* for accelerating the building of our nation in the post-COVID-19 world.

Organisational Values as a Platform for Numbers

The past year has been one that further reinforced my belief in the values of an organisation. About a decade back, we chose Courage, Trust and Commitment as the guiding values that would determine our actions and, today, I credit the resilience that we have demonstrated to the stoutness of these values. It strengthens my confidence in our organisation's fortitude, and this has been demonstrated in the results of our Group. Not only has the Adani Group emerged as India's benchmark for market leadership in difficult times, but we have also broadcast our organisational ability to rapidly pivot in the right market direction.

An exciting example of this agility is our expanding partnership with TOTAL (now TotalEnergies) who are strategically increasing their renewables portfolio. These developments exemplify the resilience of our diversified business across sectors, industries, and geographies. Despite a pandemic-induced large-scale disruption in economic activity, all six of our listed entities posted results significantly above market expectations and some of these record highlights appear below.

Group highlights

- Capacity addition, sweating of assets, and a relentless focus on operational excellence and efficiency ensured that the EBITDA of our listed portfolio registered a year-on-year growth of 22% (₹32,337 crore in FY 2020-21).
- The return to equity shareholders (PAT) increased by a significant 166% on a year-on-year basis (₹9,415 crore in FY 2020-21).
- All Adani portfolio stocks gave returns over 100% and out-performed index by a significant margin (Nifty-50 gave a return of 71%).

Segment highlights

- Adani Green Energy Limited (AGEL) added 925 MW operational capacity, achieved a high consistent Solar CUF of 22.5% and Wind CUF of 26.8%.
- Adani Transmission Limited (ATL) added 3,931 ckt km to its network, reaching 18,801 ckt km, and sold a record 7,169 million units during the year.
- Adani Ports and Special Economic Zone Limited (APSEZ) achieved a cargo volume of 247 MMT (up by 11%) and reached a market share of 25%, a gain of 4% points.
- Adani Total Gas Limited (ATGL) added 102 CNG stations, 500 commercial and 40,939 domestic customers, achieving a combined volume of 515 MMSCM (CNG+PNG)

Strategic highlights

- APSEZ announced four acquisitions — KPCL, GPL, Dighi Ports & SRCPL — thus improving East Coast - West Coast parity. It also announced the setting up of a container terminal at Colombo port in partnership with John Keells and SLPA.
- Adani Enterprises Limited (AEL) took over operations of airports at Ahmedabad, Lucknow and Mangalore, signed concession agreements for Guwahati, Jaipur & Thiruvananthapuram, and is in the process of acquiring Mumbai International Airports Limited (MIAL) & Navi Mumbai International Airport Limited (NMIAL) airports.
- AGEL fortified its partnership with TotalEnergies who acquired a 50% stake in its 2.35 GW portfolio of operating solar assets and 20% equity stake in AGEL from the founders for an investment amounting to USD 2.5 billion.

While we can look back and feel satisfied about our results, I believe that the real phase of accelerated growth of the Adani Group as an entity that benefits from having a portfolio of companies with several strategic adjacencies, is only now gathering momentum. This helps us bridge the B2B to B2C gap in unique ways and will encompass our new businesses like Airports, Data Centres, Defence and several others. What we have built over the past two decades is India's largest integrated and yet diversified infrastructure business that is now manifesting itself as an integrated 'platform of platforms' and moving us closer to unprecedented access to the Indian end consumer. I know of no company that has a business model akin to ours with access to an unlimited B2B and B2C market over the next several decades.

> Not only has the Adani Group emerged as India's benchmark for market leadership in difficult times, we have also broadcast our organisational ability to rapidly pivot in the right market direction. These traits exemplify the resilience of our diversified business across sectors, industries, and geographies.

Building the Template for Capitalising on Trends

While we are known as an organisation that makes swift decisions, our foray into the world of renewables and clean energy has further allowed us to templatise our expansion process and has given us the confidence to move into several new sectors as has been increasingly evident with our diverse business portfolio. As an example, it is worth noting that the thought process of accelerating our clean energy footprint was seeded as recently as in 2020 (at the Davos World Economic Forum in January 2020). From my meetings at Davos, two things had become evident.

It was at Davos that I decided we must align with our nation's perspective on renewable energy – and set ourselves the goal to be the world's largest solar power producer. I also decided that a significant part of our Group's future investments must be focused on sustainable and renewable energy.

- First – Climate change had become the defining issue of our time and climate change action must be accepted as a global, national, and personal responsibility.
- Second – With India driving one of the largest consumption growths, our country would have to play a defining role as it balanced its need to provide affordable electricity to its citizens as well as accelerate its renewable energy ambitions.

It was at Davos that I decided we must align with our nation's perspective on renewable energy – and set ourselves the goal to be the world's largest solar power producer. I also decided that a significant part of our Group's future investments must be focused on sustainable and renewable energy. On the 22nd of January, I penned down my thoughts and the Group's ambitions in a LinkedIn article wherein I wrote: *"Our vision is to become the world's largest solar power company by 2025 and thereafter the world's largest renewable power company by 2030"*. I also stated that we would *"build 25 Gigawatts by 2025 and also become the world's biggest solar player"*. Our existing portfolio of renewable power at that time stood at just 2.5 Gigawatts.

We moved fast since January 2020 and my focus has been on building an organisation that can add an unmatched 5 Gigawatts of generation capacity every year over the next decade and foster a cleaner energy future. So far, we are very much on target. Let me highlight some of the milestones:

- Five months following the promise at Davos, in Q2 of 2020, we won the world's largest solar tender when SECI awarded us 8 Gigawatts through a competitive bidding process.
- Thereafter, in Q3 of 2020, Mercom reported that we had become the world's largest solar power developer. We rose from No.6 position in 2019 to No.1 in 2020 – in just nine months.
- Simultaneously, we formed game-changing partnerships in energy to start establishing the base for global partnerships. Inducting TotalEnergies as a 20% partner in the renewables business sealed a strategic alliance that covers investments in LNG terminals and renewable assets across India, besides the gas utility business. The partnership within the renewables space in India will be a key contributor to TotalEnergies' objective of transforming into a clean energy leader.
- Since January 2020, the value of our renewables business increased over 600 times thereby yielding one of the best returns across all stock markets.
- Thereafter, in May 2021, we acquired Softbank's and Bharti's 5 Gigawatts portfolio of renewable assets, allowing us to leapfrog and get to our target of 25 Gigawatts a full four years ahead of our schedule.

This is what templatisation means to us and it gives us the confidence to expand swiftly across several adjacent sectors. This success is also a manifestation of the core of our three organisational values – Courage, Trust, and Commitment – that fundamentally define our Group.

Adani Foundation: Growth with Goodness

As a Group with businesses in locations where some of the poorest segments of our population reside, we are deeply conscious of our responsibility to help marginalised and underprivileged communities

– over and above just creating jobs. Through a wide variety of initiatives led by the Adani Foundation, we have touched millions of lives across thousands of villages, driving beneficial change in education, health, infrastructure development and sustainable livelihood development. We expect to amplify our work and double these numbers over the next five years.

However, in line with the rest of the world, the Adani Foundation's primary focus over the past year was guided by the battle against COVID-19. One of the issues the cascading nature of this pandemic thrust into the national spotlight was the grave inequality across our scattered communes in access to relief and care. As soon as the virus took hold, we mapped out the urgencies of the moment and studied how best we could mitigate distress across India. We quickly realised that the battle needed more than the standard assortment of medical items, like protective gear and diagnostic kits. The most pressing need was for additional means to quickly deliver medical oxygen across the land.

The solution was tied to several items that were in short supply locally. We needed more cryogenic tanks capable of transporting oxygen in supercooled liquid form, more medical oxygen cylinders for hospitalised patients, more oxygen generator plants for healthcare facilities unable to rely on transported supplies and more oxygen concentrators for people managing their infection by themselves.

At no time in the past was the work of the Adani Foundation more necessary and relevant than it is now.

It was a formidable challenge but one that we rose to, quickly and efficiently. Working with our business partners and Indian missions across the world, we managed to secure a massive life-saving inventory of these critical items, the biggest of which we brought in with the help of the Indian Air Force. Back home, our indefatigable logistics teams ensured that the oxygen tanks and cylinders were repeatedly refilled and despatched to all corners of the country.

I am also proud that the Foundation went well beyond procuring essential supplies. In just days, our engineering and medical teams expertly converted our Adani Vidya Mandir school in Ahmedabad and the Noida Indoor Stadium into emergency COVID Care Facilities with hundreds of beds, oxygen support and catered food. In Bhuj and Mundra, our hospitals that serve as a general medical oasis for the neighbouring districts were swiftly turned into 100% COVID care hospitals.

At no time in the past was the work of the Adani Foundation more necessary and relevant than it is now. I am deeply moved by the extent of the effort our Foundation's team members have put in, often choosing to ignore the risk to their own health.

The Belief in the Long Term

Over the past few months there have been several voices that wonder if India's target to be a five-trillion-dollar economy over the next four years is achievable. I personally see it as an inconsequential question. History has amply demonstrated that out of every pandemic crisis, emerge several learnings and I believe that India and the world become wiser as we go through this pandemic. India will be a five-trillion-dollar economy and will then go on to be a 15-trillion-dollar-plus economy over the next two decades, emerging as one of the largest global markets in terms of consumption size and market capitalisation. 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 very much in line with the demographic dividend India enjoys. The most essential factor required will be a better trained workforce and I have no reason to believe that over the next two decades we will not have been able to suitably address this challenge. It is a virtuous cycle that is driven by the growth in the middle-class population and India today has the longest runway than any other nation in the world.

India will be a five-trillion-dollar economy and will then go on to be a 15-trillion-dollar-plus economy over the next two decades and will emerge as one of the largest global markets, in terms of both consumption size and market capitalisation.

Regards,
Gautam S Adani
Chairman

APSEZ. Competently placed to address the new normal.

"By the virtue of being present in three segments – port operation, logistics and SEZ infrastructure management – we are attractively positioned to stitch impactful and organic solutions. This also puts us in a unique position to identify the early signs of change and respond with solutions."

The global overview

"It's your reaction to adversity, not adversity itself that determines how your life's story will develop", said Dieter F. Uchtdorf, the famous German aviator. This past year's challenging scenario reminded companies that capitalising on that silver lining of adversity must really be our commitment to managing turbulence.

Globalisation strategies underwent an extensive examination, both intuitively and rationally. Several companies relocated or diversified their manufacturing locations to address imminent supply chain disruptions. While the pandemic affected countries and companies, it also affected the global consumer sentiment, trade and people movement. These realities resulted in a preference to source from within or proximate regions.

Increased inter-regional trade and local sourcing will transform the landscape of the ports and logistics industry. This transition will add a new paradigm with enhanced focus on cost management and logistical efficiency, influencing how industries will develop and in turn catalysing the next phase of port-based industrialisation.

The India overview

In keeping with the pernicious nature of the pandemic, India experienced a slowdown in the first quarter of FY 2020-21 on account of the pandemic-induced lockdown. The Indian economy commenced its recovery from June 2020, emboldened by the government's Make in India campaign, encouraging self-reliance. During this period, fiscal and monetary measures were taken by the Government including the liquidity cushion provided by RBI for increased infrastructure investments. These decisions empowered India to return with speed to recovery and growth.

Principal message

At APSEZ, we prioritise responding with speed to the need for change, which led us to rejuvenate our framework for addressing opportunities.

Buy closer, sell closer, access faster and deliver faster - all economically, will now be the new norm. The focus of our customers, as far as costs go, will not only be on product costs alone but on holistic delivered costs. As a result, there will be a bigger premium on moderating resource costs and product delivery to remain competitive across market cycles. A premium on strengthening supply chains in an increasingly unpredictable world is here to stay. The endeavour is to impress not only with delivery reliability but a certainty of no disruption. We believe that integrated logistics as a supply model – of which port operations will continue to remain core - is emerging as a direct result of this introspection.

Uncertainties related to trade flow are encouraging users to move from proprietary logistics management to completely outsourced models. There is a greater willingness to trust specialised logistics partners who bring to the table economies of scale, cutting-edge technologies, multi-modal engagements and a complement of diverse competencies. This shift is a reality being discussed in Board rooms and implemented across supply chains.

By the virtue of being present in three segments – port operation, logistics and SEZ infrastructure management – we are attractively positioned to stitch impactful and organic solutions. This also puts us in a unique position to identify the early signs of change and respond with solutions.

APSEZ's positioning

In line with global trends and requirements, we believe APSEZ is competently placed to address the new normal. The future is upon us and the time has come for our complement of ports to evolve into logistics platforms with multiple nodes. We possess the advantages arising out of efficient port operations, seamless multi-

In FY 2020-21, APSEZ handled a cargo volume of 247 MMT, a growth of 11% as against a 5% decline registered by all Indian ports.

modal integration, proprietary cargo evacuation networks and the ability to manage large volumes. Our evolving strategy of increasing investments in cutting-edge technologies to integrate all our strengths will inexorably create an enhanced customer experience.

To evolve and emerge as a logistics partner of preference, we will continue to manage port cargo for our customers while a growing proportion of our revenues are likely to be derived from logistics where we deliver directly to our customers, saving them time, cost and effort. We expect to help our customers liberate their precious management bandwidth so they may focus completely on their businesses and leave their logistics complexities to specialised players like us.

Operations 2010-21

In FY 2020-21, APSEZ handled a cargo volume of 247 MMT, a growth of 11% as against a 5% decline registered by all India ports. Our strategy to achieve east coast and west coast parity, handle all cargo types and the diversify cargo mix ensured a continuous gain in market share in India. Our customer-centric approach yielded favourable results, mirrored in our increased market share by 4% on a pan-India basis to 25%. Mundra port, which is the largest commercial port in the country, emerged as the largest container port in the country, surpassing JNPT operations substantially. Similarly, the Company's market share in the all-India container segment increased by 5% to 41%. Our cargo basket continues to be diversified, with dry bulk constituting 44%, container 43%, and liquid cargo (including crude) constituting 13% of the total cargo. During this period, we not only maintained business continuity but also kept the supply chain running and stood by our customers to reinforce our position as a bankable service provider, ensuring stronger customer relationships and cargo stickiness, retaining customer confidence.

Operationally, the pandemic provided us with an opportunity to revisit our costs and restructure them. We focused on moving from fixed to variable costs wherever possible, renegotiated operational contracts by re-engineering, reducing built-in escalations and redeploying manpower and machines. We relied on technology for digitisation of processes, improving resource utilisation to optimise costs.In Q2 of FY 2020-21 we embarked on the journey of recovering from the downturn, establishing an attractive throughput run rate of nearly 70 MMT per quarter. The cargo throughput of the three quarters combined was 24% higher than the corresponding quarters combined in FY 2019-20. The Company strengthened its EBIDTA margin by 100 bps to 70% during the year under review. This EBIDTA margin expansion could expand by another 200-250 bps following increased volume in the next few years.

Myanmar: India's trade and foreign policy is focused on strengthening relationships with ASEAN countries which has matured as a 'Look East Policy'. The ASEAN-India connectivity is a priority of such policy to increase maritime connectivity and create economic corridors between ASEAN and India.

Adani Ports created a special purpose vehicle called AITPL, Singapore, to serve as a regional hub for investments in the ASEAN region and benefit from various trade opportunities available under the ASEAN FTA. AITPL will serve as the network point for investments in countries like Singapore, Bangladesh, Myanmar, Indonesia, Malaysia, Thailand and Vietnam. Such container terminals will be integrated with the existing ports / terminals on the east and south coasts of India, unlocking synergies through multiple entry / exit points for shipping lines with long-standing partnerships / relationships with APSEZ.

To accomplish its business goals in Myanmar, AITPL established a 100% subsidiary in Myanmar named Adani Yangon International Terminal Company Limited AYITCL in February 2019. In May 2019, we announced our intent to set up a container terminal at Yangon, Myanmar, and

Our customer-centric approach yielded favourable results, mirrored in our increased market share by 4% on a pan-India basis to 25%.

entered into a lease agreement with the democratically elected government at that time. The military coup and subsequent violence in Myanmar have resulted in uncertainty. However, APSEZ unequivocally condemns the violence and the ensuing violation of human rights. United States recently imposed sanctions on MEC - the owner of the land leased to APSEZ as part of the project. APSEZ has a zero-tolerance policy to ensure that there is no contravention of US and other sanctions.

APSEZ is proactively drawing on the opinion of OFAC and other stakeholders; it will factor their concerns in dealing with the evolving situation. For us, not engaging with a sanctioned entity in any form, and zero tolerance of human rights violation is non-negotiable.

In a scenario where Myanmar is classified as a sanctioned country under OFAC and if stakeholders are uncomfortable or if stakeholders believe that continuance represents a violation of sanctions, APSEZ will abandon the project and write down project investments in full. The write-down will not materially impact the Balance Sheet as it is equivalent to about 1.3% of the total assets of APSEZ.

Our business platform

FY 2020-21 was a transformational year for APSEZ. We created a platform for scalable, sustainable and outperforming growth; some key decisions during this year have set the foundation for the coming decade.

The uncertainty and volatility during the period presented us with a transformational opportunity to complete four large acquisitions. We expanded our footprint in Maharashtra by acquiring a 100% stake in Dighi Port through the insolvency and bankruptcy proceedings of NCLT. The port will provide our Company with much-needed footprint in Maharashtra.

In the recent past, we completed the acquisition of Krishnapatnam Port. We will acquire the balance 25% stake from the outgoing promoters as well. Following this, KPCL will become a wholly-owned subsidiary of APSEZ. The port is now fully integrated into APSEZ's portfolio in terms of operations and financials. We demonstrated the success of our operating process, which empowered KPCL to align each activity with APSEZ's high benchmark, strengthening EBIDTA margin from 55% to 71%.

We announced the acquisition of the third largest private port of Gangavaram. We have completed the first tranche of the acquisition, acquiring 31.5% stake from Warburg Pincus and expect to complete the second tranche by acquiring 58.1% from the existing promoters in Q4 of FY 2021-22.

In April 2021, we achieved another international milestone by foraying into the 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 and Sri Lanka.

In the logistics business, we scaled and diversified our railway rolling stock business. The recent changes in the General-Purpose Wagon Investment Scheme (GPWIS) of Indian Railways provided an opportunity to serve bulk customers not just from ports but also from mines. We added contracts to operate 16 new rakes for raw material transportation from the mines.

FY 2020-21 also saw a shift towards e-commerce with a fundamental shift towards demand increasing for large format Grade A warehouses. Adani Logistics forayed into this sector with the vision to become the largest player in this sector in five years. We set our sights to build 30 million sq. ft. warehousing capacity during this period. As a part of this plan, Adani Logistics Limited announced a strategic and commercial partnership with e-commerce major Flipkart to strengthen its supply chain infrastructure. Adani Logistics will construct a massive 5,34,000 sq. ft. fulfilment center by leveraging state-of-the-art technologies in its proposed logistics hub in Mumbai. The center, possessing the capacity to house 10 million units

Adani Logistics will construct a massive 5,34,000 sq. ft. fulfilment center by leveraging state-of-the-art technologies in its proposed logistics hub in Mumbai.

of sellers' inventory at any point, will be operational by Q3 of FY 2021-22. The center will support market access to several thousand sellers and MSMEs, enhancing local employment through 2500 direct jobs and thousands of indirect jobs.

In FY 2020-21, we also setup a new vertical of Railway track business. Following the announcement to acquire Sarguja Rail (SRCPL) and restructuring other railway tracks within APSEZ, we created the foundation to partner with Indian Railways and invest in strategic rail lines under the PPP model. Through this approach, we created India's first private sector railway track asset Company, marked by the prospect of annuity revenues.

As a part of our expansion into the Inland Freight Terminal business, ALL emerged as a successful bidder and received LoA from DFCCIL for the development of freight terminals with exclusive station connectivity across eight locations (New Palghar, New Sanjali, New Dadri, New Chawapail, New Bhimsen, New Gholwad, New Gothangam and New Phulerain WDFC and EDFC). Once developed, these terminals on WDFC will enjoy direct DFC corridor connectivity.

All acquisitions and expansions during the period were planned meticulously, comprising blueprint to execution with the objective to roll out ₹26,000 crore of investment in less than 12 months, a record of sorts in APSEZ history and likely to catalyse growth and value creation.

From this point onwards, APSEZ will graduate to a higher growth trajectory derived from a complement of 12 ports and the lowest port operational costs in India derived from economies of aggregated scale. Furthermore, the comprehensive and flexible logistical solution, with operating head room of land availability in all ports, will allow us room to evolve. Evidence of port-based industrialisation has galvanised the coupling of port and industrialisation. APSEZ already accounts for pre-emptive port locations with growing hinterland reach and the bundling of port-based logistical solutions. We are optimistic of multi-year revenue visibility derived from enduring relationships, strategic planning with customers and focus on maximising customer satisfaction.

APSEZ has always been at the forefront of investments in cutting-edge technologies with the objective to enhance port and multi-modal efficiency. However, being better connected extends beyond data exchange and the adoption of new technologies. At APSEZ, it extends to connecting physical assets and leveraging technologies like Internet of Things, Artificial Intelligence and Automation to enhance operations visibility, control and manageability. Connecting and capturing data from hundreds of sensors and using analytics with machine learning will facilitate the real-time monitoring of assets utilisation, locations, health and energy consumption. These will deliver productivity improvements, safety cum security enhancements and increased resource utilisation, monitored through a command-and-control centre.

Finally, APSEZ is committed to fostering a stable and efficient ports and logistics ecosystem in India and globally. Considering the worldwide increase in the frequency and severity of cyber-attacks and our journey into digitisation, automation and cloud adoption, the importance of Cyber Security becomes clear. At APSEZ, we are reducing the risk and promoting resilience in our own operations and in the value chain with our partners and stakeholders, through a holistic approach to cyber security.

A conservative and relatively liquid Balance Sheet represents the cornerstone of our capital management program, reinforced by our Investment Grade rating. All efforts are in the direction of protecting and even improving this Investment Grade rating. This has been supported by strong earnings growth and free cash flow generation. Our elongated debt maturity is matched with our asset life. This natural hedge provides cover and enables us to moderate interest costs. The result of this disciplined capital allocation is enhanced returns.

Environment and sustainability

We are earnestly working towards a sustainable future driven by continuous enhancements in processes and operations. Aligning to UN Decade on Ecosystem restoration, we are committed towards Nature Based Solution by investing in 'Ecosystem restoration' projects that can support livelihoods, fight the climate crisis and enhance biodiversity. We are also committed to lead the climate change revolution in the Indian port sector. During the last financial year, we took steps to climb a notch by making two significant international climate stewardship commitments. One, we became a supporter of the Task Force on Climate-Related Financial Disclosures (TCFD); two, we signed for the Science-Based Targets initiative (SBTi), becoming the first Indian port operator to commit to science-based emission reduction targets. We also became signatories to United Nations Global Compact (UNGC), CEO Water Mandate and are committed to India Business and Biodiversity Initiative (IBBI).

APSEZ continues to focus on sustainability through a reduction in energy, water and emissions intensity. We aligned our business plan and investments for sustainable growth, focusing on environmental preservation, green-house gas emissions reduction, resource and waste management.

Our goals and targets are driving us towards actionable outcomes. We enunciated an ambitious climate goal of becoming a carbon-neutral company by 2025 to complement the global 'Race to Zero' campaign. We set out a series of targets like zero waste to landfill, banning the use of single-use plastics, 100% cargo handling with renewable energy and enhancing biodiversity. All our targets are supported by systematic assessments (Climate Vulnerability Assessment and Internal Carbon Pricing) with business projects. We foresee an inclusive and collaborative approach as the way forward to enhance our sustainability performance and climatic resilience.

Social

The seamless operations of our ports and logistic services represent the backbone of trade and supply of essential services, which became increasingly pronounced during the pandemic. We introduced several initiatives, ensuring the well-being of those working at our locations. Some key initiatives ensured adherence to the guidelines prescribed by the federal and local authorities - 100% thermal scanning for the essential staff while most of our administrative team worked from home throughout the year. The Company donated ₹80 crore to the PM Cares Fund for COVID-19 relief.

The fatality of six contractor workers at our operational sites was most unfortunate. We will leave no stone unturned in maintaining the safety and well-being of everyone working at our site.

We created roadmaps and plans for sustainable growth, which focused on the health and safety of our work force, minimising employee turnover, improving and managing our relationships with business counterparts, increasing the coverage of skill development programmes in the local community and women empowerment through self-help groups (SHGs) across various sites.

Governance

At APSEZ, our governance commitment is woven around the simple understanding that we will manage our business for the maximised benefit of all our stakeholders. We have been taking measures consistently to continuously improve governance structures and policies. We formulated policies – including related party transactions policy, capital allocation policy and shareholder return policy - to transparently guide our business practices. As a step towards stronger governance, the Company engaged Grant Thornton Bharat LLP to conduct a Board evaluation for fiscal year 2021. APSEZ also approved a policy on Board diversity to address the importance of a diverse Board in harnessing different skills and experiences to benefit the

We set out a series of targets like zero waste to landfill, banning the use of single-use plastics, 100% cargo handling with renewable energy and enhancing biodiversity.

Company. We are taking steps to improve our ESG rating. Some measures being undertaken provide quality information in the form of an Integrated Report, developing assurance programs for various initiatives and linking compensations for KMPs to safety.

My optimism

It is my hope that transparent rule-based reality will take precedence over relationship-driven dynamics in the Indian business environment, promising equity to all players. In keeping with global trends, the enunciation of a long-term policy direction and reforms across several sectors will become the focus and enhanced digitalisation, moderating operating inefficiencies and related costs. Under-consumption across a number of sectors with large operating headroom will receive attention so a course correction may be introduced.

Big picture 2025

At APSEZ, we see exciting possibilities ahead. We have upwardly revised our port cargo throughput target by 25% (100 MMT) to 500 MMT by 2025. We intend to increase RoCE from around 12% today to 20%+ by 2025. We intend to enhance our country coverage beyond 90%, increasing market share from an existing 25% at the close of 2020-21 to a projected 40% by 2025. We intend to emerge as the first global carbon-neutral port Company by 2025. Besides, we intend to emerge as the largest port Company in the world in the space of just a little over three decades from scratch by 2030.

Mission 2025

The value proposition to our investors has been steady; APSEZ enjoys a significant presence on a pan-India basis with an integrated approach to the ports and logistics model. It provides the entire gamut of services under one roof with a single-window customer-centric approach. Our maturing ports and newly acquired ports are growing in tandem as twin growth engines in enhancing free cash generation. The Dhamra and Kattupalli ports, which were acquired in 2015 and 2018 respectively, turned around with positive returns on investments. Our approach to proactively address the changing economic landscape, resilience to overcome COVID-19-like disruptions, readiness to capitalise on uncertainties and responsiveness towards a customer-centric integrated logistics solutions provider will make us torch bearers for the industry. With 247 MMT of cargo throughput in 2020-21, the Company enjoys a 25% market share of India's exim cargo. We are among the five fastest growing port companies in the world; we intend to retain this position by achieving 500 MMT of cargo throughput by 2025 and will lead to enhancing our market share of the Indian market to 40%. This emphasises the underlying utility nature of our business and an overarching transportation solutions utility. We reported a RoCE of 12% in 2020-21 and intend to enhance RoCE to 20%+ by 2025, suitably rewarding shareholders.

We are a compliant and environment-protecting Company, intending to emerge as the first global carbon-neutral Company with 100% of port cargo operations powered by renewable energy by 2025.

Karan Adani, CEO

*As per internal estimates, excluding non-Adani and coastal, LNG, LPG volumes

How we intend to achieve our Mission 2025

Vision and strategic clarity

Building scalable platforms

Investments ahead of the curve

1 Environment-Social-Governance

- Deepen the governance commitment through strategic transparency
- Become a carbon neutral company by 2025

2 Business mix

- Focus on RoCE-accretive initiatives and investments
- Increase the asset-light proportion of our revenues (logistics)
- Diversify our existing cargo mix

3 Footprint

- Widen and deepen our national footprint
- Increase our market share (cargo growth)

4 Asset management

- Strengthen the sub-continental ports 'necklace' (organic/ inorganic initiatives)
- Enhance our asset utilisation
- Enhance asset use flexibility

5 Customer focus

- Long-term contracts
- Stronger revenue visibility
- Customer Satisfaction Score of 4.75+ (of 5)

6 Financial structure

- Disciplined capital allocation
- Moderate capital expenditure
- Enhance free cash flows

7 Technology

- Invest deeper in technologies
- Enhance customer delight
- Enhance operating efficiency

RIDING THE INDIA STORY

What is good for India is good for APSEZ

Overview

If there is a single factor driving APSEZ towards its stated aspiration of emerging as the largest port company in the world in a decade from now, it is the robust India growth story.

There are various engines of the India growth story likely to sustain the country's momentum among the fastest growing within major economies.

By one inference, if India grows, APSEZ grows; by the other inference, APSEZ is likely to contribute to this growth through proactive investments in people, assets, services and technologies.

Economic growth

The Indian economy is likely to emerged with a size of USD 5 trillion by the middle of the third decade of this century as per projections of IMF World Economic Outlook April 2021, adding nearly 70% to its existing size across the foreseeable future. As India's economy grows larger, it is positioned to grow faster. For instance, the GDP growth achieved by the country in the first 60 years was replicated and compressed in only the next seven, a trend that is likely to re-emerge as India extends from the effects of the pandemic.

Demographic advantage

The sustainable driver behind India's economic outperformance is its demographic advantage. India is not just adding more to its population annually than any country; India's average age at 29 is also younger than the comparable average age in China at 38 and in USA at 38. India's economic rise will also mean that per capita GDP could touch USD 3,100 from USD 2,200 in FY 2020-21 as per IMF WEO April 2021, indicative of a disposable surplus of USD 4,500 per family (average family size of 5) to be saved or spent in non-essentials. Generally, younger countries are not only more active as spenders but economically active for a longer period, which indicates that the consumption-driven dimension of India is likely to transform into a multi-decade phenomenon.

Vast under-consumption

The underlying optimism behind the sustainable India momentum is that the country is extensively under-consumed across virtually every utility, product or service when compared with the global average. When one compares this reality with the fact that India possesses the second largest global population (and possibly the largest global population of the under-consumed) as well as a sustained rise in per capita incomes envisaged as per IMF WEO April 2021, the picture one gets is one of the largest sustainable consumption opportunities anywhere in the world.

Increase in incomes and aspirations

There has been a consistent increase in incomes and aspirations in a modernising India. This complement is critical: a presence of incomes without aspirations would make India a nation of savers; aspirations without incomes could enhance indebtedness. In India, we see a prudent balance likely to sustain consumer spending well into the long-term. Besides, we see the population size as a large captive market without needing to depend on global offtake, relatively protecting the Indian economy from adverse external influences.

Atmanirbhar Bharat

The Indian government has announced long-term policies that enhanced policy transparency and stability, attracting investments. In a post-COVID-19 world, we see these stable policies attracting global and Indian investors, catalysing the country's growth story. At the heart of these policies is Atmanirbhar Bharat, intended to develop Indian industry, reduce imports and enhance self-reliance – the ability to provide for the country's growing needs from within and strengthen India's position as a competitive global products and services provider. At a time when

the world is seeking an alternative to China as a supply chain partner, we believe that India's moment may have arrived.

Enabler-strengthening reforms

While India's reforms and long-term policies have been broad-based, reforms related to logistic enablers like roads, rail, inland waterways and ports could have a catalytic impact on the country's logistics costs and competitiveness. India's logistics cost as a percentage of GDP is estimated to be 500 bps higher than the prevailing average in most developed countries. Following reforms across its logistic arms, India has possibly arrived at an inflection point that could translate into increased logistics efficiency and enhanced national competitiveness.

India's global trade percentage

India accounts for nearly 18% of the global population but India's share in global exports for merchandise was 1.71% and in global imports was 2.53%, a large headroom that is waiting to be corrected. As India industrialises faster and the benefits of policy reforms begin to kick in, India's competitiveness as a global products and services provider could increase, enhancing ports throughput. A CII report titled 'Re-orienting India's Export Endeavour in the COVID-19 World' makes a policy suggestion on how India needs to aim for 5% share of world merchandise exports and should this became a reality, India's ports throughput could 7% in services exports by 2025.

Conclusion

At APSEZ, we are attractively positioned to capitalise on the India growth story by the virtue of being the country's largest commercial port operator as well as its extension from core port operations to integrated logistics solutions and SEZ services.

APSEZ's scope and scale has made it unique in India's logistics infrastructure and services sector, inspiring the optimism that as India continues to grow faster than the global growth average, the Company is attractively positioned to grow even faster.

India's resource consumption, well below the global average, is waiting to correct

Steel under-consumption

75

(Kgs), India's per capita steel consumption, FY 2019-20

229

(Kgs), Global per capita steel consumption, FY 2018-19

(Source: Ministry of Steel, 2021 & World Steel Association)

Cement under-consumption

225

(Kgs), India's per capita cement consumption, FY 2019-20

525

(Kgs), Global per capita cement consumption, FY 2019-20

(Source: ACC Cement Investor Presentation)

Electricity under-consumption

1,208

(Kilowatt hour), India's per capita electricity consumption, 2020

2,674

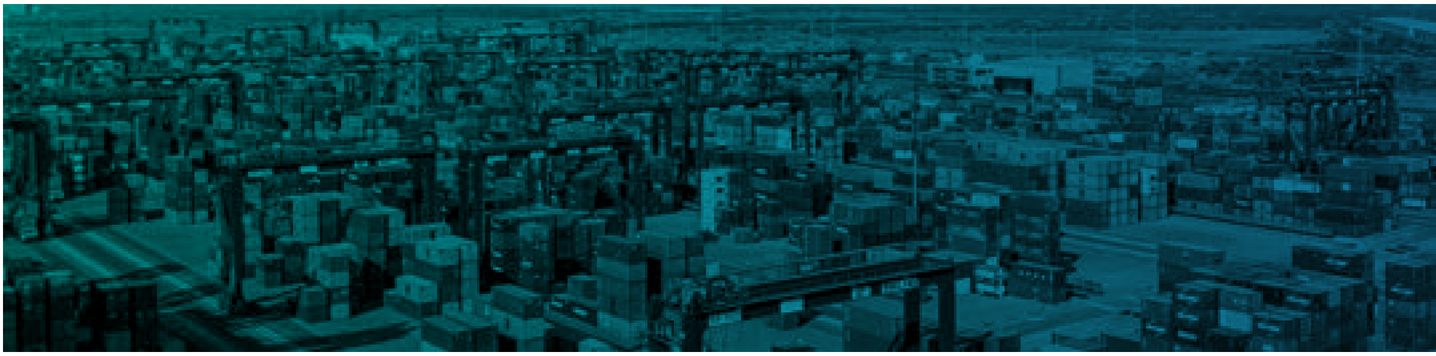
(Kilowatt hour), Global per capita electricity consumption, 2019

(Source: IBEF, Economic Times)

NATIONAL INFRASTRUCTURE CATALYST

How APSEZ has helped catalyse the India growth story


der cargo beam 75T
der spreader 65T
arance 13.5M



Overview

At APSEZ, we do not just see our Company as a beneficiary of the India growth story; we have positioned our Company as an active contributor to the national economic momentum as well.

Across more than two decades, APSEZ has raised standards that have not only strengthened operating performance but also helped widen the industry mindset and raise the sectorial benchmark.

Plugging the national gap

APSEZ has helped plug the national port infrastructure gap with a complement of ports and terminals; the Company has demonstrated the success of modern infrastructure investment in a traditionally consumption-driven economy.

Scale

APSEZ went into business in 1998. The Company is among the youngest in the country's port infrastructure sector. Despite this handicap – especially when pitted against multi-decade competitors – the Company has emerged as the largest commercial port operator in India that provides services that extend across around 70% of the country's hinterland.

National spread

APSEZ has evolved from its original positioning as 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 March 31, 2021.

Operational flexibility

APSEZ has extended from a conventional landlord model where a port owner provided the land area but outsourced related services; the Company's offerings comprise the provision of infrastructure and service, resulting in the widest value chain across ports, terminals, logistic parks/ICD, rakes, inland waterways, warehousing, agri-logistics, air freight stations and other logistic service assets – an unmatched logistical service proposition in India.

Infrastructure catalyst

APSEZ has taken India's port intermediation capability ahead: the Company has nearly added one fourth of all of India's incremental port capacity built since 2010. This has accelerated the growth of India's port sector.

Value-addition

APSEZ comprises 11 operating ports/terminals across India, three port locations created from scratch (Mundra, Hazira and

Dahej). APSEZ also developed new terminals at major ports (Goa, Tuna, Vizag and Ennore). APSEZ acquired three strategic ports on the east coast of India (Dhamra, Kattupalli and Krishnapatnam) and on the west coast (Dighi). In FY 2020-21, APSEZ accounted for 19% of India's port operational capacity, making it possible for shippers and regions to connect to a global supply chain.

Superior service

APSEZ's signal service has been in bringing the customer into a serious conversation possibly for the first time in India's ports sector, adapting services around their needs - not the other way around.

Operating benchmark

APSEZ has showcased the highest port efficiency standards – comparable with the best global indices – within India, helping graduate the country's infrastructure efficiency.

Paradigm shift

APSEZ created the concept of a modern 'port of choice' over the conventional 'port of convenience' by moderating engagement costs and enhancing customer value.

Customer value

APSEZ established a reputation around a lower berthing time with corresponding cost savings for customers; this helped increase asset utilisation and competitiveness of shipping companies, a win-win proposition.

Cargo evacuation

APSEZ made it possible to evacuate and deliver commodities or products faster than the prevailing national standards, reducing the customer's working capital cycle and enhancing resource efficiency.

Counter-inflation

APSEZ helped moderate a conventional year-on-year increase in port tariff to less than the prevailing national inflation, strengthening the country's logistical competitiveness.

Proactive investor

APSEZ strengthened the country's logistical infrastructure build-out by investing ahead of the demand curve, a concept virtually unheard of in India.

Asset productivity

APSEZ enhanced national infrastructure productivity through the acquisition of losing ports that were subsequently turned around with speed.

How APSEZ plugged the national gap

- Scale
- National spread
- Operational flexibility
- Infrastructure catalyst
- Value-addition
- Superior service
- Operating benchmark
- Paradigm shift
- Customer value
- Cargo evacuation
- Counter-inflation
- Proactive investor
- Asset productivity

Multi-level integration: Achieved challenging multi-level integration – locational, services, coastal and Group synergies – that widened the competitive moat

Extension: Demonstrated a model of profitable extension from conventional port operations to logistics, a space largely addressed by shipping companies

Secure growth: Demonstrated that it is possible to build assets from scratch to global scale while staying liquid and profitable year-on-year through disciplined capital management

How APSEZ transformed the Indian ports industry paradigm in a little more than two decades

Competitive: Created a pool of the most experienced talent, resulting in the build-out of ports at a cost and time lower than prevailing global standards

Insourced model: Emerged as possibly the only global Company with a cargo management capacity of 500 MMT to insource all port support services

Efficiency: Demonstrated that it is possible to reconcile scale with efficiency

Inclusive model: Created an inclusive growth model where communities, vendors / suppliers grow along with the Company

APSEZ. Outperformer that is taking India ahead

Outperforming GDP growth

8.5x
Growth in Indian GDP in 19 years ending 2020-21

685x
Growth in APSEZ topline in 19 years ending 2020-21

Outperforming nominal GDP growth

11.9
% CAGR growth in Indian nominal GDP, FY 2002-2021

41
% CAGR growth in APSEZ topline, FY 2002-2021

Cargo outperformance

71x
Growth in APSEZ cargo in 19 years ending 2020-21 (CAGR 20%)

3x
Growth in all-India cargo in 19 years ending 2020-21 (CAGR of 6%)

Asset sweating

44%
APSEZ ratio of cargo throughput share to capacity share, FY 2009-10

51%
APSEZ ratio of cargo throughput share to capacity share, FY 2020-21

Asset Contribution

10%
APSEZ's all India operational capacity share (%) FY 2009-10

19%
APSEZ's all India operational capacity share (%) FY 2020-21

Growing profitability

3
% APSEZ RoCE in FY 2002-03 (based on Mundra operations)

17
% APSEZ RoCE in FY 2010-11 (based on Mundra operations)

13
% APSEZ RoCE in last seven years following the commercialisation of new ports and acquisitions

Profitable growth

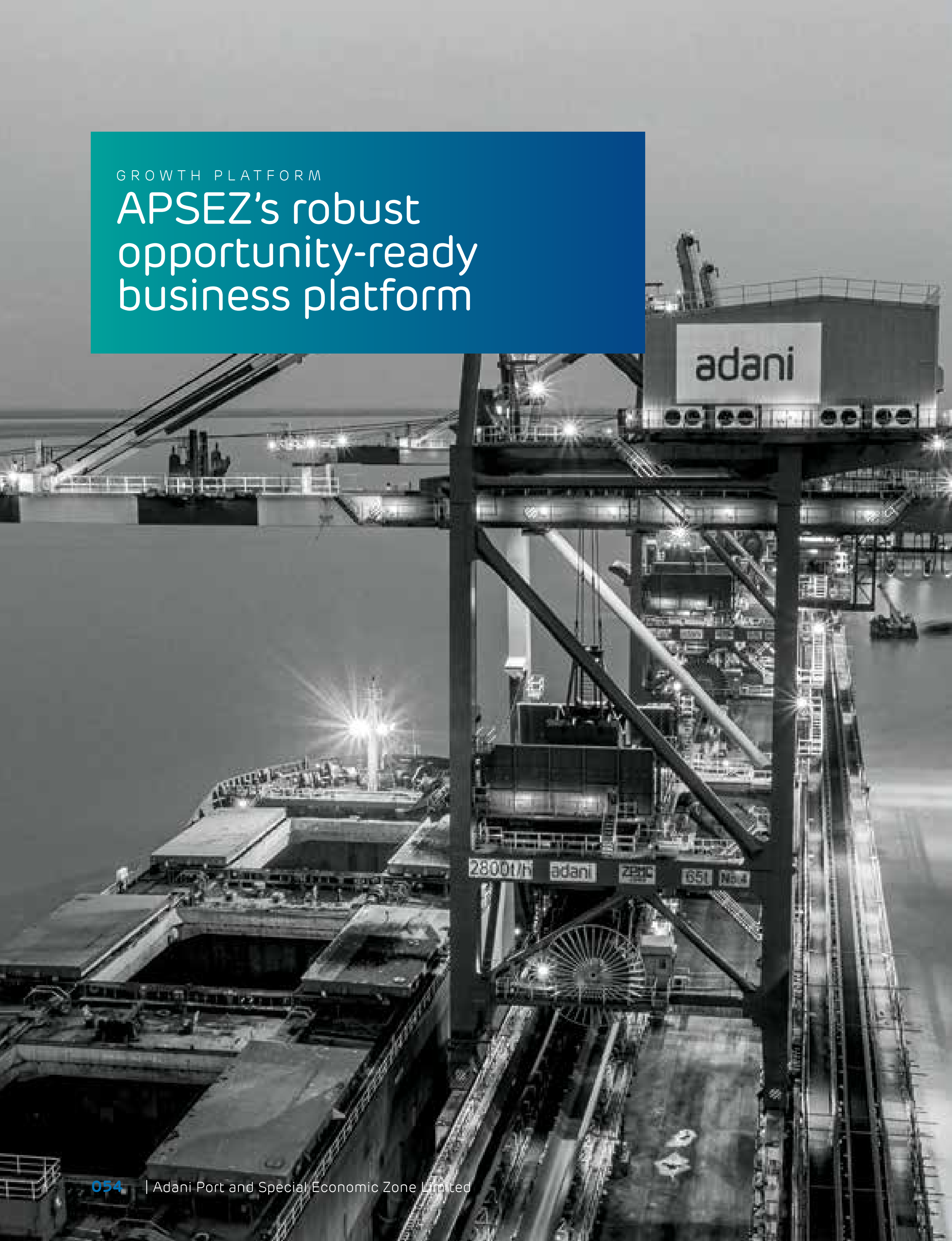
3.6x
ratio of APSEZ revenue growth to real GDP growth (average) in last 10 years

30 x
APSEZ capacity growth at a CAGR of 20% over FY 2002-2021

4 x
APSEZ cargo throughput growth (average) over all-India growth in 19 years ending FY 2020-21

GROWTH PLATFORM

APSEZ's robust opportunity-ready business platform



The goal

To emerge as India's largest ports company with 500 MMT cargo throughput by 2025 and emerge as the world's largest ports company by 2030

The approach

At APSEZ, we have created a business platform that is scalable, contemporary and relevant. The Company has invested in this platform ahead of the curve with the objective of being opportunity-ready at all times. The competitiveness of this platform provides the Company with the optimism that growth will be sustained, capitalising on a rebounding economy. This is expected to grow the company to its stated objective of 500 MMT of cargo throughput by 2025.

Our scalable growth platform

Infrastructure complement	Environment-friendly	National gateways	Necklace positioning	Doorstep solution
Destination of choice	Size-agnostic	Customer benefit	Connectivity pipelines	Draft advantage
Hinterland prospects	Competitive asset building	Liquid Balance Sheet	Cargo specialisation	Cargo integrity
South Asia extension	Service-driven	Innovative culture	Land bank advantage	Terrain expert
Safe and secure sites	Complementary leadership	Enduring customer partnerships	Operating head room	Employee friendly

Our platforms explained

1 Infrastructure complement
APSEZ developed a complement of bulk terminals, container terminals, coal terminals and single-point mooring facilities; addressing port needs to handle dry and liquid bulk (including coal), container, crude oil and other cargo

2 Environment-friendly
Aligned its ESG practices to be growth-ready with the objective of emerging as a carbon-neutral Company by 2025, strengthening customer traction and respect

3 National gateways
Positioned for the long-term on India's western coast (starting from the northernmost point), tip of the bottom and across the eastern coast, making it a comprehensive gateway for imports into the country or exports

4 Necklace positioning
Positioned as a 'necklace' or a 'string of pearls' where an APSEZ is never too far from an intending importer of export, enhancing access, availability and flexibility

5 Doorstep solution
Extended the port from a fixed and passive coastal location to delivery at the customer's doorstep through a multi-modal service solution

6 Destination of choice
Positioned the Company's ports as a destination of choice and not compulsion, backed by a superior holistic experience, ease of doing business, transparency and cargo integrity

7 Size-agnostic
Invested in port infrastructure designed to accommodate some of the largest vessels in the world; engaged in the proactive design of berths based on the design of ships on the drawing board

8 Customer benefit
Positioned the services around economies directed towards the customer's benefit – a lower delivered time in product delivery to the customer and a lower delivered cost, strengthening the customer's logistical competitiveness

9 Connectivity pipelines
Invested in long-term connectivity platforms (pipeline, road and rail) that help deliver cargo to cross-country customers in the quickest time

10 Draft advantage
Invested in ports with a minimum 18.5m water depth, empowering it to accept capesized vessels. A majority of the Company's port capacities were in areas with a draft of 14.5m or above.

11 Hinterland prospects
Developed or acquired ports with attractive hinterland prospects, leading to multi-decade growth possibilities

12 Competitive asset building
Invested in locations with adequate available headroom through brownfield expansions at a relatively low cost per million tonnes of cargo handling capacity

Our platforms explained

13 Liquid Balance Sheet
Sustained a liquid Balance Sheet that provided resources for capacity expansion without excessive leverage

14 Cargo specialisation
Focused on creating port infrastructure around commodity cargo management specialisation as opposed to being a generalist, enhancing throughput productivity

15 Cargo integrity
Demonstrated capabilities in cargo integrity reflected in cargo security against damage and pilferage, resulting in a complete peace of mind

16 South Asia extension
Extended from India to Colombo and Myanmar with the objective to provide a South Asian logistical solution

17 Service-driven
Graduated hardware infrastructure into a service-driven solution through the provision of plug-and-play SEZ land infrastructure for various industries; asset-ready and opportunity-ready

18 Innovative culture
Demonstrated an innovative mindset; increasing delegation and decentralisation resulted in decisions taken closer to the ground

19 Land bank advantage
Created a 12,000+ acre port-based land bank and plug-and-play infrastructure for prospective industrialisation, helping companies save years in their go-to-market approach

20 Terrain expert
Positioned the Company as an India terrain expert, handholding global companies (seeking to diversify their global footprint risk) keen to enter India

21 Operating head room
Addressing high headroom; India's coastal shipping and inland waterways are still in the low single digits as a percentage of the country's logistics throughput

22 Complementary leadership
Achieved leadership in the complementary logistics business (special wagons, rail network, warehousing, containers and liquids storage)

23 Enduring customer partnerships
Nearly 56% of cargo handled at its ports in FY 2020-21 was from repeat multi-year customers marked by a low likelihood of their switching ports

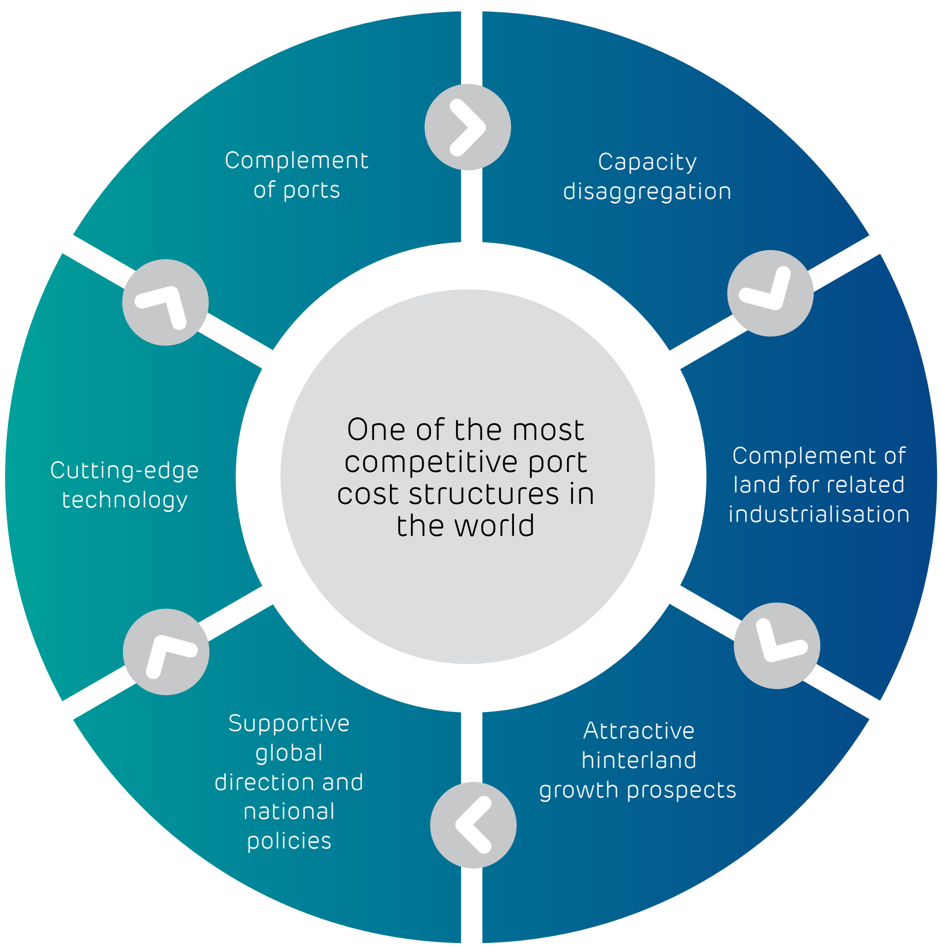
How APSEZ has enhanced shareholder value across the years

OVERVIEW

APSEZ is India's most valuable listed ports Company

1	2	3
The Company has emerged among the five fastest growing global port companies	The Company reports among the highest EBIDTA margins in the global ports sector	The Company's market capitalisation has outperformed a rise in the BSE Sensitive Index since 2010 by 2x

How a complement of strategically located competitive ports can emerge as a potent economic multiplier



APSEZ's value-enhancing model

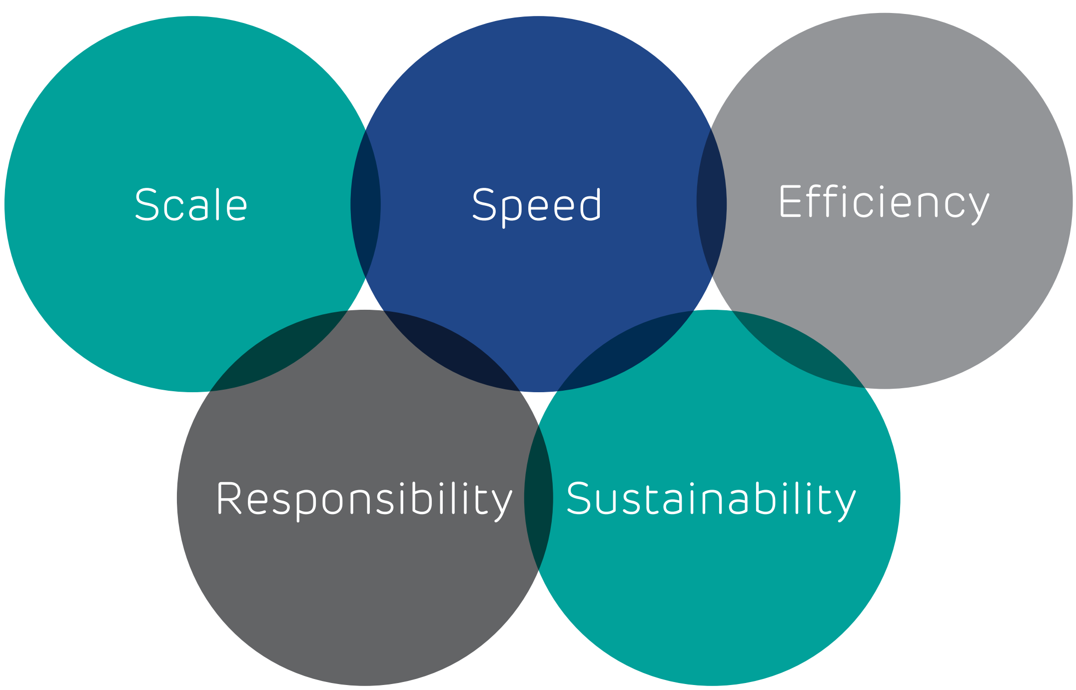
The customer is willing to pay a premium for a superior value proposition delivered by a vendor or service provider.

Our value-enhancing model has been woven around two realities: a growing coverage cum competitiveness on the one hand and sustainable national growth on the other.

The essence of our 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 with speed, cost competitiveness and economies of scale, creating a foundation of profitable long-term growth; at the farmer level, we ensure long-term revenue visibility leading to business predictability.

This combination – an entrepreneurial approach at one end leading to secured annuity-like incomes at the other – represents the platform of our value-enhancement engine

The broad elements of how we enhanced shareholder value over the years



Scale

Largest Indian port operations Company	The largest number of ports owned by any Indian Company	The largest Indian standalone ports	The largest Indian integrated logistics Company

Speed

Grown from scratch to the largest Indian port operations company in 23 years	Among the five fastest growing port operating companies in the world	Grown capacity by a CAGR of 7% in the five years ended FY 2020-21	Grew east coast port capacity from 7% of total port capacity in FY 2014-15 to 33% in FY 2020-21

Efficiency

Among the highest EBIDTA margins among global port operators	Additional operating margins reinforced by service integration, automation and analytics	Sustained cost leadership derived from capex cum procurement efficiency and low funds cost	Significant part of growth funded out of free cash flows or fresh equity issuance, minimising Balance Sheet stress

Responsibility

Deep governance commitment; de-risked approach; established global corporate credibility	Secured long-term revenue visibility	Rural employment driver	Port operations to emerge carbon-neutral by 2025

Sustainability

Investment in business platforms for sustainable scalability	Long-term relationships with customers ensuring revenue visibility	Proactive presence in port locations with growing hinterlands	Extending debt maturities matched with a productive long-term asset life (positive asset-liability match)

How we strengthened our business

Operational ports

FY 06	1
FY 20	9
FY 21	11

Port capacity

MMT

FY 06	72
FY 20	408
FY 21	498

7 % CAGR, five years ending FY 2020-21

Logistics infrastructure

Logistics parks

FY 07	1
FY 20	4
FY 21	5

Logistics capacity

Number of trains

FY 07	6
FY 20	56
FY 21	60

How we generated superior financial hygiene

Capital employed

₹ crore

FY 16	32,583
FY 20	53,569
FY 21	66,498

15% CAGR, five years ending FY 2020-21

Liquidity, Net debt/EBIDTA

x

FY 16	4.4
FY 20	2.9
FY 21	3.3

Earnings

₹ crore

FY 16	4,651
FY 20	7,565
FY 21	8,063

12% CAGR, five years ending FY 2020-21

Free cash flow* intensity

(%)

FY 16	-18
FY 20	52
FY 21	72

20% CAGR, five years ending FY 2020-21. *Free cash flow after working capital change and investing activity

How we enjoyed a superior market valuation

Capital appreciation

₹ crore

(As on 31 March)

2010	31,637
2015	63,799
2021	1,42,710

Growth in our market capitalisation

351

% growth in market capitalisation (2010 to 2021)

180

% growth in BSE Sensex (2010 to 2021)

Cumulative dividend payout

6,007

₹ cr, following listing until FY 2020-21

18

% payout ratio since listing until FY 2020-21

20-25

% declared payout ratio today

Total delivered shareholder value

8,800

₹, invested in 20 shares on listing in 2007

71,725

₹, value of current 100 shares (market value plus dividends earned) as on March 31, 2021


adani

FOUNDATION

The building blocks of our value-enhancement framework

Strategic

- Port-plus approach
- Investment in land, facilities, equipment and services – the complete value chain
- Moving progressively from port intermediation towards supply chain solutions
- Selection of projects around a pre-tax 16% project IRR
- Liquidity of net debt/EBIDTA of 3-3.5x

Capabilities investment

- Deep capabilities developed through experience in the development of varied projects
- Projects comprise waterfronts, onshore, back-up area, evacuation and connectivity infrastructure
- Established capabilities across greenfield, brownfield and terminal locations
- Established respect for commissioning large infrastructure in a timebound manner at a lower cost

Long-term relevance

- Capability in the creation of all-weather ports and terminals
- Terminals enjoy deep drafts (12.5m to 20m)
- Ability to accommodate 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

Locational presence

- Necklace of ports around the Indian coastline
- Ports located from east to south to west India
- Assets positioned to achieve east-west parity and 'gateway to India' concept

Technology

- Invested in large, futuristic and next-generation infrastructure
- Invested in the convergence of modern technologies
- Focused on speed, security, scalability, efficiency and experience
- Backed by teams dedicated to IT, Technology, IoT and analytics
- Systems designed to expedite adaptability of technology at any acquired assets

Connectivity

- Extended 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)

Customer mix

- Enhanced revenue predictability
- Focused on profitable and enduring customer relationships
- Diverse customer base comprising of 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 and crude oil
- Reduced dependence on Dry Cargo from 51% in FY 2015-16 to 44% in FY 2020-21
- Container 32% in FY 2015-16 to 43% in FY 2020-21 and crude/others 17% in FY 2015-16 to 13% in FY 2020-21

Logistics mix

- Increased the proportion of logistics revenue in the overall revenue mix
- Increased the proportion of logistics EBIDTA in the overall profit mix
- Ensured control and co-ordination across value chain by increasing presence in various logistics segments (container/bulk trains/ multi-model logistics park, inland container depots, warehouses, agri logistics, inland waterways, air freight stations etc.)

Financial

- Consistent Investment Grade rating (capped at sovereign)
- Efficient capital cost per MMT
- Reduction in average debt costs from a peak 7.97% to 6.7% in 2020-21
- Extended average debt maturity from a trough of 5.2 years in FY 2019-20 to 6 years in 2020-21

How APSEZ's strategic differentiation platform has widened its industry leadership

1 Operationally integrated

Most port companies across the world are moving towards the landlord model, where they remain only the landowner, whereas the services are managed by a number of dedicated service providers

At APSEZ, the management has focused on the integration of land ownership and service delivery (piloting + loading dispatch trucks + dredging + equipment operations), widening our margins

Result: **Superior margins captured at every stage**

2 Single-window convenience

Most port companies the world over represent an aggregation of a window of services that the customer needs to negotiate for a comprehensive solution

At APSEZ, the management provides a single-window service that minimises transaction time and inconvenience, strengthening the customer's profitability

Result: **Stronger pricing power; superior customer retention**

3 Transparent approach

Most port experienced have been marked by opacity and hidden charges

At APSEZ, the management has created a business model woven around transparency and a visible rate chart that empowers customers to arrive at their costs well before the engagement commences

Result: **Stronger customer retention**

4 Guaranteed turnaround time, service and quality

Most port companies indicate a reasonable turnaround time for the vessels berthing at their ports

At APSEZ, the management guarantees the service quality (turnaround time, productivity, handling losses, evacuation) failing which it compensates customers. It helps customers plan better and add value to the value chain

Result: **Strong customer traction and retention; wider value capture**

5 Service-driven mindset

Most port companies are driven by a hardware ownership mindset

At APSEZ, the management has 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 feed off each other

Result: **Superior pricing power; strong customer retention**

6 Peace of mind proposition

Most port companies are positioned around a locational advantage

At APSEZ, the management has positioned itself around an end-to-end peace of mind proposition based on transparency, reliability and productivity that takes the business of customers ahead

Result: **Superior pricing power; strong customer retention**

7 Service integration

Most port companies focus on core port operations

At APSEZ, we extended from port operations to logistics and SEZ ownership

Result: **Superior pricing power; strong customer retention**

8 Ahead of curve

Most port companies build assets behind the demand curve reactively after the trend has been witnessed

At APSEZ, we invested in assets ahead of the curve, strengthening service standards and attracting customers. Our motto: 'Berth should wait for the ships, not the other way around'

9 Complement of ports

Most port companies comprise standalone ports

At APSEZ, we have created a 'necklace complement' of ports around the Indian coast rim, enhancing economics of logistical flexibility over economics of scale, providing customers multi-port solutions

Result: **Stronger ability to address hinterland growth; increased market share, high service standards; one stop solution for customers for entire Indian hinterland**

10 Project and operational competitiveness

Most port companies possess operational competencies

At APSEZ, we have built deep capabilities in building infrastructure from scratch, completing projects ahead of schedule and establishing our competitiveness even before we have gone into commercial operations

Result: **Wider margins and lower capital expenditure**

11 Plug-and-play showpiece

Most port companies provide cargo management operations

At APSEZ's Mundra SEZ, we provide manufacturing companies with a plug-and-play infrastructure that gets them into business with speed - no land or infrastructure issues – and focus on growing their business

Result: **Stronger customer retention; higher wallet share**

12 Plug-and-play showpiece

Most port companies in the world have only a transactional relationship with the customer

At APSEZ, the management promotes long-term tie-ups through customised dedicated facilities for the customer (GPWIS, berth) resulting in mutual growth

Result: **Strong customer retention, high growth visibility**

13 ESG at a center of decision making

Most Indian port companies focus mainly on profits and margins

At APSEZ, we believe in sustainable and inclusive growth while protecting the environment, enabling society to benefit. We were the first Indian port to assess our carbon footprint and develop a mechanism to systematically reduce it. The Company was the first in India whose ports committed to carbon neutrality and developed a mechanism to progressively reduce emissions to achieve the commitment.

Result: **Stronger brand value in global market**

14 Technology as an enabler

Most Indian port companies are still at the nascent stage of technology adoption.

At APSEZ, we derive a significant cost advantage and improved productivity by using technology, analytics and automation. We implemented the world's first large scale TOS implementation, managed remotely. We provide better customer service and cargo visibility to customers using our various technology platform.

Result: **High margin, safe operations**

How we capture margins through operational integration

- Piloting the vessel inwards
- Tug management that ensures the incoming vessel is at the right berth
- Crane deployment that removes the cargo from the incoming vessel
- Dredging makes the port navigable across all months
- Trans-shipment to other transportation modes (road/rail/pipelines/storage containers)

OUTCOMES

These have been 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 50% 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 EBIDTA 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.

Market share
The Company increased market share almost every year since 1998 to 25% at the close of FY 2020-21.

Margins
The Company increased EBIDTA margin from 54% in FY 2006-07 to 64% in FY 2020-21; increased EBIDTA margin in 15 years out of 22 years of existence.

Liquidity
The Company is liquid, under-stretched and growth-ready; it maintained a Net debt/EBIDTA between 4.4 and 2.9 in the five years ending 2020-21.

Productivity
The Company emerged as a global technology-driven showcase of people productivity with a people cost as a proportion of revenues 1000+ bps lower than the prevailing standard in developed countries.

Credit rating
The Company is the only Indian port infrastructure company to be accorded an Investment Grade rating by leading global rating agencies.

Replacement costs
The Company comprises assets and ports with a high asset replacement cost, an effective moat.

ESG rating
The Company's ESG rating increased across global ESG rating agencies.

VALUE OUTLOOK

How we intend to enhance value by 2025

Overview

At APSEZ, the one aspect of our operations that was central to our business growth was capital efficiency.

Across the last couple of decades, the Company invested in its business with clarity around the minimum hurdle rate of return required to address the needs of lenders and risk capital providers and leave adequate surplus for reinvestment.

The Company's biggest achievement in the last few years has been its ability to protect and enhance capital efficiency (measured through the RoCE) even as the Company passed through a dynamic growth phase marked by an aggressive increase in employed capital.

Going ahead, the Company will continue to focus on RoCE maximisation as the central measure of its value-enhancing approach. This focus on capital efficiency will be driven by sweating of assets, revenue enhancement & cost efficiency and prioritising capital allocation in assets generating higher returns.

This priority will cascade from an organisational perspective to drive the profitability needle higher through various initiatives directed to sweating the Company's infrastructure better, generating higher revenues from existing infrastructure and amortising fixed costs more effectively.

1

Complement of RoCE-enhancing initiatives

- The Company is committed to improve asset utilisation of existing ports and assets, enhancing returns with nil to moderate investments
- The Company will improve asset productivity through improved capacity at each level of the value chain (following technologies and analytics)
- The Company will invest in only those projects with returns better than pre-defined expectations, strengthening prospective profitability
- The Company will shrink the capital expenditure cycle to operationalise assets faster
- The Company intends to protect or improve its IG rating, empowering it to mobilise debt at lower costs
- The Company intends to double EBIDTA by 2025 with optimal incremental investments
- The Company expects to protect its liquidity even as it continues to grow (organic or inorganic), maintaining its Net debt/EBIDTA around the level of FY 2020-21
- The Company expects that maturing of its greenfield/ acquisitions/on-going acquisitions) (Dhamra, Kattupalli, Krishnapatnam and Gangavaram) and commissioning the Dighi port will enhance capacity utilisation
- The Company intends to strengthen its working capital cycle, having shrunk it from 83 days to 69 days of turnover equivalent in FY 2020-21, while optimising its payables cycle

2 Strengthening the business model

At APSEZ, we expect to strengthen our business through various initiatives.

We intend to sustain the growth in our cargo throughput from 247 MMT in FY 2020-21 to over 500 MMT cargo by FY 2024-25 backed by the sustained growth of the Indian economy and our corresponding ability carve away a significant market share.

We intend to diversify our cargo away from coal towards more balanced cargo mix including new growth commodities (LNG/ LPG), minimising our cargo risk that sustains our growth through market cycles.

We intend to widen our revenue streams through the expansion of our logistics business that complements our ports business. The Company intends to progressively monetise its SEZ and land bank (total land bank of 12,000 hectares) with contiguous multi-modal connectivity.

We believe that the non-Mundra ports will sustain rapid growth; besides, concluded/ongoing acquisitions (Krishnapatnam, Dighi and Gangavaram) will provide access to new customers and geographies.

We are optimistic that the strategic partnerships with TOTAL in the LPG/LNG business and with MSC and CMA-CGM in the container business could widen revenues. We intend to get into other strategic partnerships for the sustainable growth of our cargo and revenues.

We intend to enter into strategic partnerships and a user-driven capex to fuel growth in port-led development.

We expect to leverage technologies effectively across back-end and front-end port operations, helping reduce costs and enhance margins.

We also intend to use technology as a differentiator from competitors; to enable the Company to provide integrated logistics solution to customers, enhancing revenue and market share.

We intend to increase our international presence in growing economies with a major focus on the container business.

We are also determined to become carbon-neutral while promoting a green supply chain.

Conclusion

We believe that a controlled growth blueprint could enhance revenues, EBIDTA and RoCE without compromising liquidity across the foreseeable future.

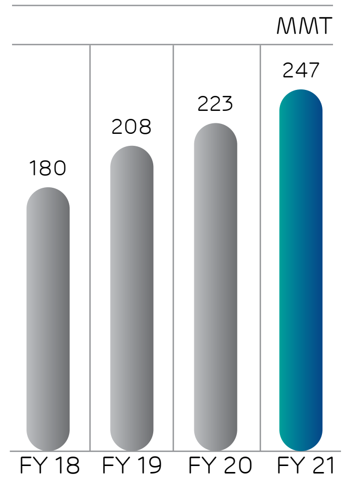

DONG FANG
MEDITERRANEAN SHIPPING CO
msc
GLDU
987741 3
22G1

Part 2

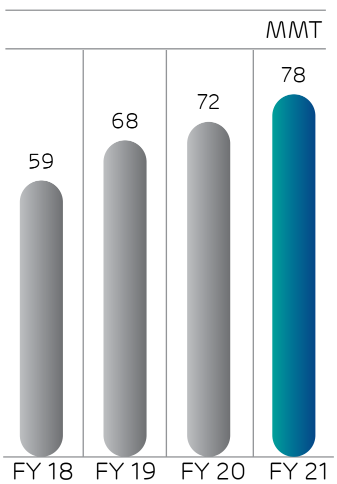
Our performance

How we performed in 2020-21

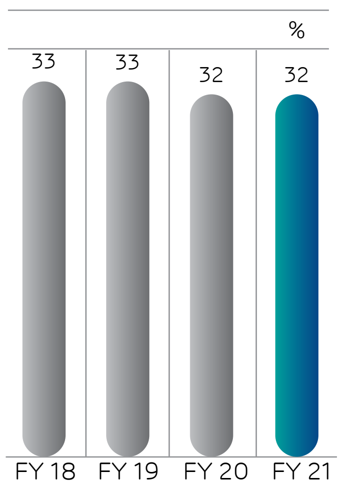
Our operational performance in the last few years



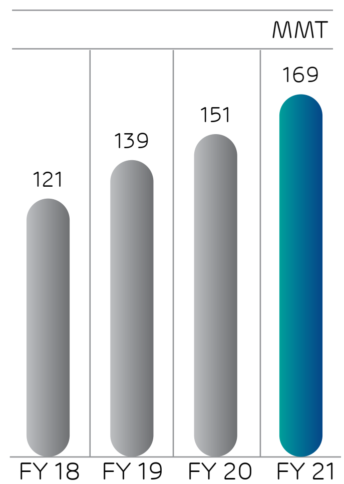
Cargo management



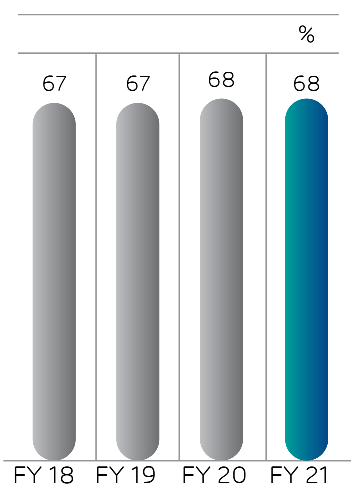
Coal cargo volumes



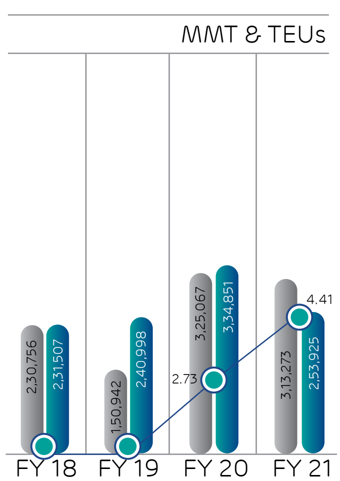
Coal cargo as % of volumes



Non-coal cargo volumes

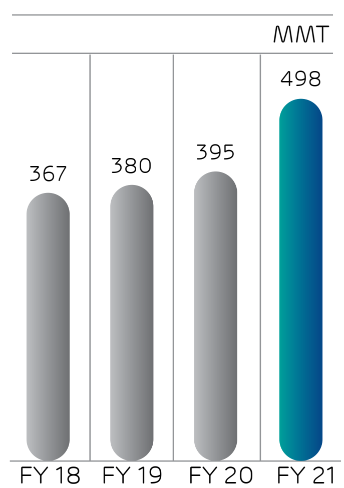


Non-coal cargo as a % of volumes



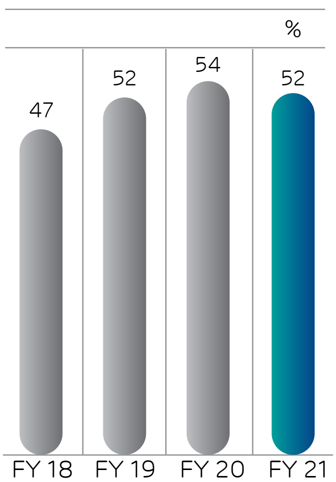
Logistics volumes

Rail TEUs Terminal TEUs GPWIS (MMT)

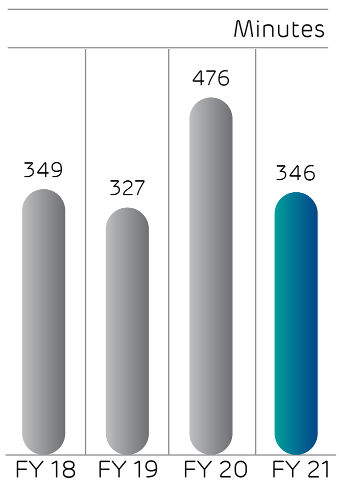


Aggregate port capacity

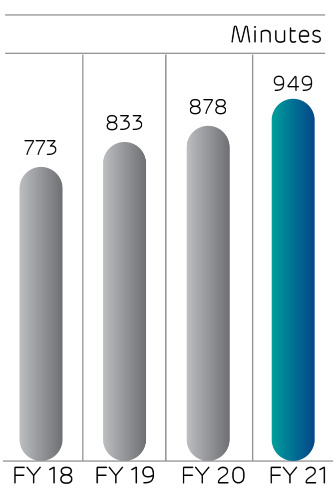
The efficiency of our operations



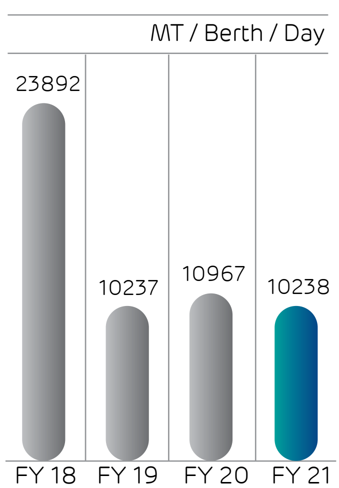
Capacity utilisation



Pre-berthing delay



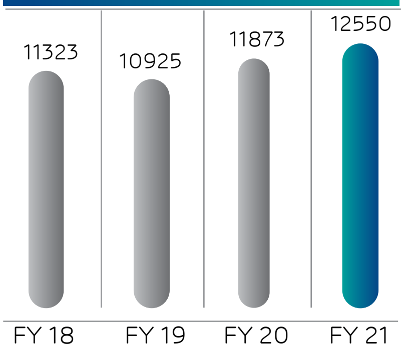
Turnaround time



Operational productivity

How our operations translated into superior financials

Revenues (₹ cr)



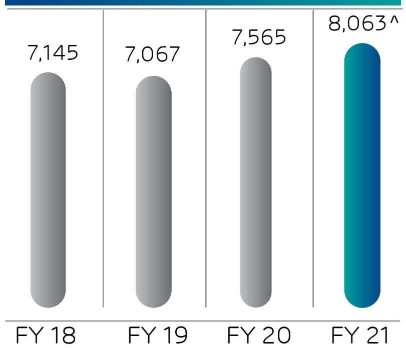
Definition
Growth in sales net of taxes.

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?
Aggregate sales increased by 6% to ₹12,550 crore in FY 2020-21, mainly due to Ports' cargo growth of 11%.

Value impact
The Company performed better than the sectoral average

EBITDA (₹ cr)



Definition
Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax) and foreign exchange (gain) / loss

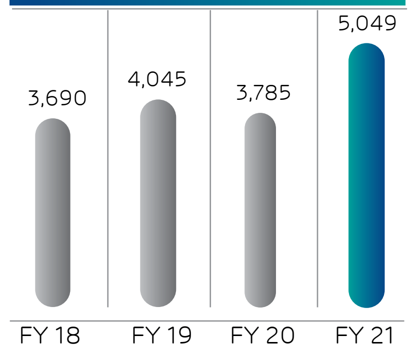
Why is this measured?
It is an index that showcases the Company's ability to generate a surplus following the expensing of operating costs.

What does it mean?
Helps create a robust growth engine to sustain profits

Value impact
The Company generated an attractive surplus despite sectoral challenges

^ Excludes one-time donation of ₹80 crore

Net profit (₹ cr)



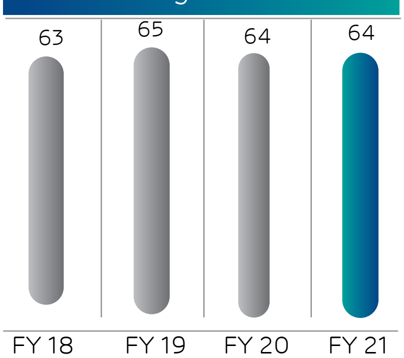
Definition
Profit earned during the year after deducting all expenses and provisions.

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 33% increase in net profit in FY 2020-21.

EBIDTA margin %



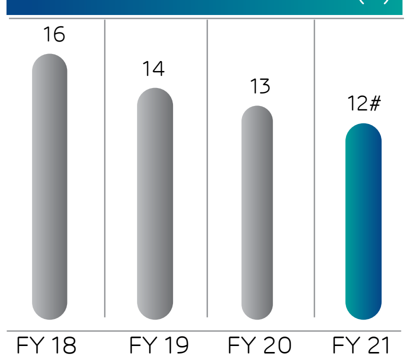
Definition
EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency.

Why is this measured?
The EBIDTA 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 sustained its EBIDTA margin during FY 2020-21 despite the COVID-19 pandemic.

ROCE (%)



Definition
It is a financial ratio that measures a company's profitability and the efficiency with which its capital is employed in the business

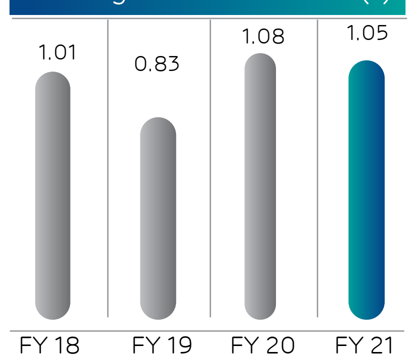
Why is this measured?
ROCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors.

What does it mean?
Enhanced ROCE can potentially drive valuations and perception.

Value impact
The Company reported a 90 bps decrease in ROCE due to lower SEZ & port development revenue during FY 2020-21.

 # Includes Krishnapatnam port's EBIT for H1 FY 2020-21 also

Gearing (x)



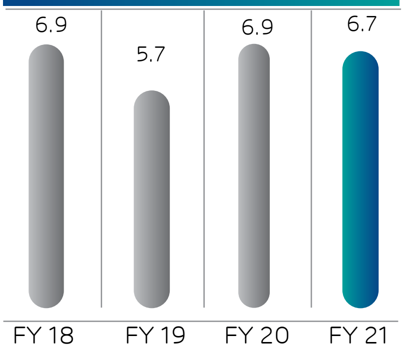
Definition
This is derived through the ratio of debt to net worth (less revaluation reserves)

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 room within the company, the lower the gearing the better.

Value impact
The Company's gearing declined by 3 bps on account of debt repayment and increased net worth.

Average debt cost (%)



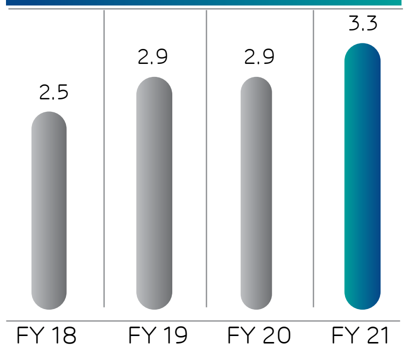
Definition
This is derived through the calculation of the average cost of the consolidated debt on the company's books

Why is this measured?
This indicates our ability in convincing bankers and other debt providers of the robustness of our business model, translating into a progressively lower debt cost (potentially leading to higher margins).

What does it mean?
Enhanced cash flows; strengthened credit rating for successive declines in debt cost

Value impact
This ratio should ideally be read in conjunction with net debt/operating profit (an increase indicating higher liquidity). The debt cost of the Company declined 20 bps during the year.

Net debt / EBIDTA (x)



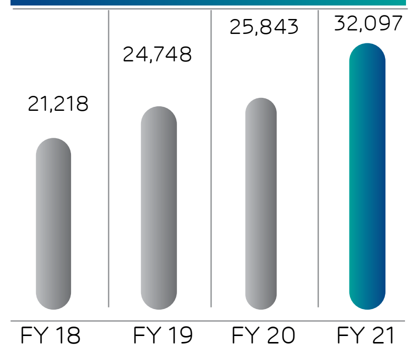
Definition
This is derived through the division of Net debt by EBIDTA

Why is this measured?
This liquidity cover indicates the Company's comfort in servicing debt – the lower the better.

What does it mean?
A company's ability to meet its debt repayment (hence interest) obligations, an aspect of its solvency, is arguably one of the most important factors in assuring sizeable returns to shareholders.

Value impact
The leverage for the Company increased primarily on account of debt for the Krishnapatnam port acquisition effective from October 2020. However, this was well within the target range of 3.0x to 3.5x

Net worth (₹ cr)



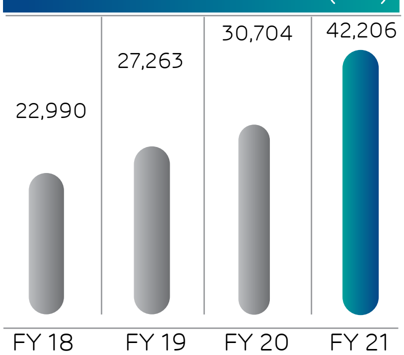
Definition
This is derived through the accretion of shareholder-owned funds.

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 influenced the cost at which the Company can mobilise debt).

Value impact
The Company's net worth strengthened 24% during the year.

Net fixed assets (₹ cr)



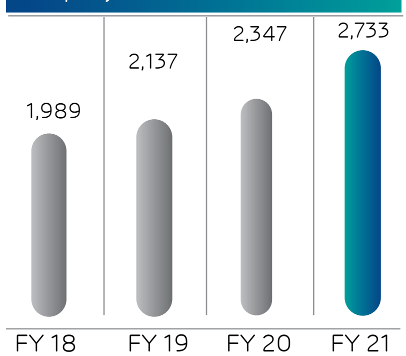
Definition
This is derived through the accretion of physical assets or infrastructure.

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 37% during the year under review.

Employees



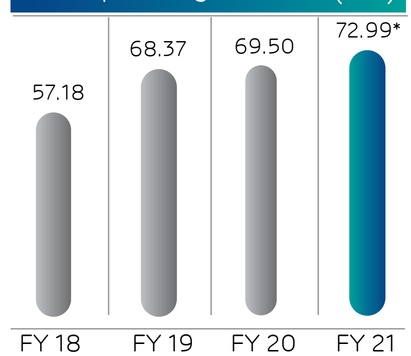
Definition
This represents the people capital available within the Company.

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

CSR spending (₹ cr)



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 strengthened 5% during the year under review.

** Excess CSR ₹16 crore to be carried forward for set-off in the succeeding financial year*

How we have built a robust financial platform for sustainable growth

Our platform

Liquidity	Gearing	Competitiveness	Superior technology	Asset utilisation
Cargo mix	Asset-light revenues	Cash flow focus	Capital allocation	

Overview

At APSEZ, we believe that a robust Balance Sheet represents a springboard for business sustainability. This priority is even more marked in the port infrastructure sector where the headroom opportunity is large and where each investment warrants significant resource mobilisation. This priority, in turn, puts a premium on the need to mobilise investable resources at a lower cost, longer tenure and with protection against various risks (such as currency movements), securing the business model, enhancing margins and creating a pipeline of financing resources.

Platform

At APSEZ, we have created a robust Balance Sheet platform to achieve 500 MMT of cargo throughput by 2025 and expand our RoCE from 12% in FY 2020-21 to around 20% in 2025. This platform has been structured around the following building blocks.

Liquidity: At APSEZ, we focus on maintaining adequate financial liquidity within the system to be opportunity-ready and make timely investments. Much of this liquidity is derived from a conservative gearing mindset that makes it possible to address various economic cycles with adequate cash on the books. The Company maintained adequate systemic liquidity of Net debt/ EBIDTA in the range of 3.0 to 3.5 on a sustainable basis, ensuring growth needs on the one hand without compromising Balance Sheet health on the other

Gearing: At APSEZ, the management intends to utilise its accruals with the objective to enhance prospective cash flows, strengthening its capability to drive prospective investments or acquisitions

Competitiveness: At APSEZ, we believe that at the heart of a robust Balance Sheet lies competitive port management costs. The Company is the lowest cost port operator in India and one of the most competitive in the world, generating an operating margin that has been consistently higher than the sectoral average leading to robust cash flows

Superior technology and asset utilisation: At APSEZ, we believe that the use of technology will generate superior asset utilisation that, in turn, makes it possible to address the advantages arising out of a high operating leverage and generate a RoCE-accretive return.

Cargo mix: At APSEZ, we believe that the management of a mix of volume-driven commodity cargo essential for national consumption and growth makes it possible for generate a diversified cargo mix leading to predictable revenues

Asset-light revenues: At APSEZ, there is a larger focus on generating asset-light or margins-accretive revenues from logistics management that make it possible to enhance our asset utilisation and enhance revenue predictability

Cash flow focus: At APSEZ, we will continue to leverage our superior credit ratings. The Company will focus on maximising cash flows through a renegotiation of debt tenures and costs with lenders

Capital allocation: At APSEZ, we will not invest in any project (greenfield or brownfield) that does not meet our benchmark requirement of a minimum 16% pre-tax IRR (on portfolio level), making it possible to recover the capital expenditure on infrastructure build out in less than six years. Besides, the Company intends to moderate its maintenance capital expenditure on one hand and maximise free cash flows on the other

Financial discipline

The Company validated its financial discipline during the last financial year, which was among the most challenging encountered by the Company in its existence.

Despite the first quarter of the last financial year being affected extensively by a lockdown that affected port operations and erosion in consumer sentiment that affected port throughput, the Company passed the year with a 11% growth in cargo throughput volume and no Balance Sheet impairment.

The Company completed 75% stake acquisition of the Krishnapatnam port – the second largest private port in India - during the course of the last financial year without stretching its Balance Sheet beyond the guided gearing range.

The Company reported a net profit after tax of ₹5,049cr in the last financial year and ₹12,878 cr in the last three financial years aggregated, a period marked by declining GDP growth within India.

Outlook

The outlook is optimistic of the Indian economy in general and APSEZ in particular.

As India returns to robust growth (as witnessed in the last three quarters of the last financial year), APSEZ will continue to be the best placed within India's port sector to capitalise: for being the lowest cost ports company of a growing nation; for possessing a beta (capacity to resist declines) in economic growth without Balance Sheet impairment; for an interlinked business model comprising port operations, logistics and SEZ &land monetisation possibilities; for a profitable mix of principal businesses (dry bulk, containers, crude, gas, and chemicals) that represents the foundation of a large growing economy like India.

The Company has been consistently enhancing market share year-on-year, capturing a higher slice of the incremental business opportunity. A combination of these realities is expected to strengthen cargo throughput, graduating the Company towards its aspiration of achieving 500 MMT of cargo throughput by 2025.

CASE STUDY

APSEZ successfully closed three issuances of cross-border listed USD bonds, mobilising USD 1.55 billion

APSEZ issued three issuances of 144A / RegS Fixed Rates Notes (bonds) during FY 2020-21 to fund its inorganic growth initiatives and refinancing existing debt. The cumulative value of these bonds was USD 1.55 billion. All issuances were rated Investment Grade (Moody's, S&P and Fitch) and listed on Singapore Exchange (SGX-ST) and India-INX.

Bonds	Amount (USD million)	Coupon rate (Fixed)	Tenor
APSEZ: July 2020	750	4.20%	7 years bullet
AICTPL: December 2020	300	3.00%	> 7 years average maturity
APSEZ: January 2021	500	3.10%	10 years bullet
	1,550		

APSEZ: Adani Ports and Special Economic Zone Limited; AICTPL: Adani International Container Terminal Private Limited (50:50 JV between APSEZ and Mundi Limited, a subsidiary of Terminal Investment Limited Holding S.A.

Highlights

Demonstrates an ability to fund large acquisitions

The issuance of the bonds demonstrated the ability to fund large acquisitions (e.g. Krishnapatnam port). The bonds were successfully issued despite market disruptions caused by the COVID-19 pandemic.

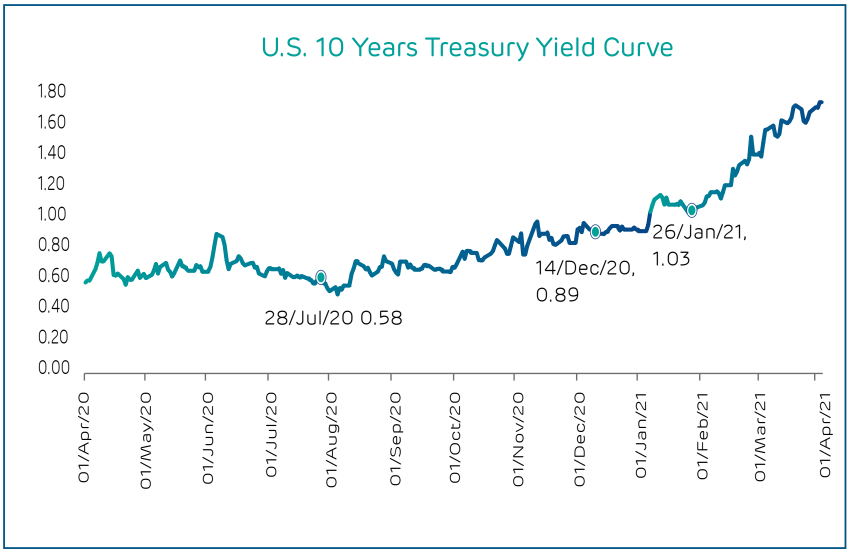
Broadbased investor base

All issuances evoked strong investor interest across major geographies (US, Asia, Europe and Middle East), subscribed by multinational banks, insurance companies, pension funds and asset managers etc. This indicated the confidence of global investors in the APSEZ growth story.

Bonds	US	Asia	Europe / ME
APSEZ: July 2020	55%	24%	21%
AICTPL: December 2020	24%	56%	20%
APSEZ: January 2021	34%	30%	36%

Market access at an opportune time at an efficient price

The Company tracked the best execution windows backed by its ability to accelerate from planning to final closure of the issuance within a few weeks. All three issuances in FY 2020-21 were executed when the benchmark 10-year U.S. treasury yield curve traded lower (see chart).



Investor interest

All issuances were oversubscribed 2.8 to 9 times of the issue size, which helped in lowering the coupon rate. For instance, AICTPL attracted the lowest ever coupon (@3%) for a USD bond issuance of the Adani Group.

Bonds	Over subscription	Price tightening between IPG and FPG
APSEZ: July 2020	2.8 times	42.5 bps
AICTPL: December 2020	9.0 times	50 bps
APSEZ: January 2021	5.0 times	40 bps

IPG: Initial Price Guidance; FPG: Final Price Guidance

Refinancing in advance to avoid refinancing and market risks

APSEZ January 2021 Bonds (@3.1%) were raised to refinance APSEZ's earlier bonds maturing in January 2022 (coupon rate @ 3.95%)

Diversification of financing structure

AICPTL bond was the first-ever with a project financing-based structure by APSEZ. The earlier bonds were based on a corporate financing-based structure. The AICTPL bond was the first-ever at the joint venture entity level within APSEZ. All earlier bonds were issued at the APSEZ parent entity level.

Higher level of structured subordination

All the foreign currency bonds issuances of APSEZ are senior unsecured in nature and constitute 67% of the Company's consolidated long-term debt, providing flexibility to the Company in financing its growth.

Maturity elongation

The Company increased the average maturity of its overall long-term debt from 5.2 years in FY 2019-20 to 6.0 years in FY 2020-21, backed by the issuance of long tenor bonds.

CASE STUDY

How we transformed in the last few years

50+

% of cargo throughput from customers of five years or more, 2015-16

50+

% of cargo throughput from customers of five years or more, 2020-21

With increasing throughput, the Company deepened its positioning as a relationship-driven end-to-end service provider, enhancing customer retention

Liquidity buffer Net debt / EBIDTA

	(x)
FY 16	4.4
FY 21	3.3

The Company enhanced EBIDTA 87% between 2015-16 and 2020-21; cash on books increased from ₹1768 crore to ₹5929 crore (235% growth) during this period.

* FY 2020-21 EBITDA includes ₹614 crore from Krishnapatnam port operations in H1 FY 2020-21 but excludes a one-time donation of ₹80 crore.

Debt tenure (average)

	(Years)
FY 16	3
FY 21	6

Forex debt mix

	(%)
FY 16	60
FY 21	69

Long-term financing

	(%)
FY 16	71
FY 21	99

The Company leveraged its IG rating and Balance Sheet strength to elongate debt tenure, strengthening cash flows

Forex debt exposure

	(%)
FY 16	13
FY 21	16*

Forex revenue as a percentage of forex debt

*Includes forex income of Krishnapatnam Port during H1 FY 2020-21

The Company's forex revenues provide a natural hedge to its forex debt, de-risking it against currency movements

Credit rating

Investment Grade (Stable outlook), FY 2014-15

Investment Grade (Stable outlook), FY 2020-21

The Company maintained its IG rating since 2015

CASE STUDY

APSEZ. Investing in taking India's agriculture interests ahead

India is the biggest importer of pulses due to limitations in its agricultural production. For years, all commodities were handled inside the port premises, resulting in customer complaints about cargo quality.

APSEZ invested ₹150 crore in creating a dedicated infrastructure to handle agri around 15 kms from the port to protect cargo quality. The agri park is serviced by two railway lines adjacent to the warehouses.

The total covered space is around 1.33 lakh sq meters with five godowns comprising adequate height for storage. This increased imports into Gujarat; the Company installed 10 MBU lines for mechanised bagging leading to faster deliveres to clients.

Before Agri Park in MPT	After new infra of Agri Park
Storage inside MPT godown	Dedicated clean storage area for agri cargo
Incidence of contamination	No contamination; no other cargo stored
Delay in bagging and deliveries	MBU provides timely truck loading

CASE STUDY

Assembly line-based fertiliser delivery systems in Mundra

India imported around 8 MMT fertiliser on the west coast; 4 MMT or 50% is handled by the Mundra port. To address this volume in a short period of eight months, the Mundra port installed a fully automatic controlled assembly line to bag bulk fertilisers in 50 Kg bagging of each bags. The assembly line comprises 22 machines on each line with a total 44 machines with bagging capacity of 25,000 MT /day (each machine delivering 16 bags/minute). This assembly delivers the bags directly on the shoulder of labourers, reducing the effort in rake loading. The Mundra port achieved benchmarks in loading covered rakes, a record in the industry.

Before installation of FCC	After installation of FCC
Manual bagging with limitations of 10K MT/day	Fully mechanised with capacity of 25,000MT/day of bagging
Triple handling of bagged cargo	Single handling during the wagon loading
Maximum loading of four rake / day	Loading of 8/10 rakes per day
High weight issues with contamination	Weight accuracy and zero contamination
High safety risk due to manpower deployment	Safe operations; 75% manpower reduced; no trucking

On-board screening of wheat during exports

CASE STUDY

Portable bulk innovation

APSEZ handles the export of agri cargo and salt wherein buyers prefer cargo cleaning on hatches.

An innovative solution comprised the fabrication of a customised steel screen net that fit into bulk vessel hatches and screened cargo speedily without using manual nets.

Before cargo net	After cargo net screening
Huge empty bags/threads/etc. loaded with cargo	No foreign material loaded along with cargo
High complaints from ports discharge	Zero complaints as totally screen cargo loaded
Delay in vessel loading as manual cleaning done in the godown	Faster vessel loading

CASE STUDY#6

Vacuum lifting of steel pipes

At Adani's Mundra port, pipes were handled with a spreader and sealing at ends. The hooking and un-hooking was manual comprising riggers/semi-skilled workers. This resulted in delays with corresponding safety risks. In 2010, APSEZ installed overhead cranes with a vacuum lifter mechanism that doubled pipe lifting efficiency and safety. The Company comprised eight cranes (capacity 30 to 50 Mt each); each lift was of four to six pipes (as per OD of pipes).

Before vacuum lifting arrangements	After vacuum lifting arrangements
All manual operations (hooking / unhooking)	Fully mechanised vacuum lifting by pads
Heavy risk of pipes falling and damages	No chances of falling as external power support available
Delay in operations; high vessel turnaround time	Speedy operations; faster vessel turnaround time
Damages to coating due to end hooks	No damage to pipe coatings; quality handling
High risk due to manual operations	Safer operations; no human intervention

How we have built a sustainable platform through India's largest logistics complex

Sustainable platform

- Space-plus approach
- Largest scale
- Service integration
- Multi-modal
- Logistical specialisation
- Annuity engagement
- Enhance customer competitiveness

Overview

The sustainable growth of the Indian economy is dependent on the robustness of its logistical backbone. Given the fact that India is a large country with a dispersed presence of resources, manufacturing facilities, ports, airports and consumption points, there is a premium on the need to aggregate resources at the lowest cost and in the quickest time, economically inventorise raw materials or finished goods and dispatch finished products in the most efficient manner.

This subject is drawing increased attention for two reasons: the difference between the cost of logistics as a proportion of GDP in India compared with developed countries has been estimated at more than 500 bps, affecting India's competitiveness. Besides,

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.

These realities indicate underlying messages:

one, that India's success as an effective China alternative among global industrial buyers needs enhanced logistical efficiency;

two, the logistical benefit of GST reform needs to be taken to its logical conclusion through a futuristic infrastructure that enhances national logistical competitiveness;

three, the proposed infrastructure needs to be of a scale and scope in the hands of a specialist, serving as a model.

Uniqueness

In 2020-21, APSEZ announced an extension of its port-based logistics business to that of a 'hinterland port'.

The Company announced its decision to commission 1450 acres of a multi-modal logistics park at Sanand, 40 kms from Ahmedabad. The construction of this complex – the largest of its kind in India – is expected to begin in 2021-22, commercialised from 2022-23 and completed in 2023.

The concept of this hinterland port, drawing on the Company's multi-year experience of managing port infrastructure, is unique for various reasons.

One, the coming together of the right infrastructure at the right place and right scope represents First World infrastructure in a rapidly developing nation.

Two, the logistics complex will not represent a passive offering of space; it will be designed to play an active role in providing just-in-time and just-in-place services that moderate tenant logistics costs coupled with enhanced competitiveness.

Three, the logistic complex will provide a multi-modal solution, providing tenants with a complement of rail, road, port and air linkages from any point in the world to any point in the world.

Four, the logistics infrastructure and service will be positioned to 'own' this function within customers, liberating them to focus on what they are best at (marketing, manufacturing or product development) and promising them increased margins visibility.

Five, the Company has been positioned as an end-to-end specialist at a time when the organised sector is being formally recognised as standalone, a sizable moat against intending competition.

Six, the business is the result of the effective combination of various Adani Group business capabilities (port and rail operations and logistics parks).

By positioning itself as a long-term logistical partner, APSEZ intends to make itself integral to the multi-year growth journey of its tenants, enhancing value for customers and Company.

Advantages

The proposed APSEZ logistical infrastructure will enhance value for customers and the Company in various ways.

Scale

The proposed logistics complex is the largest by far in India over its nearest alternative, a game-changer in the sector that is intended to enhance subject matter visibility and benchmark status

Partnership

The engagement promises a multi-year engagement leading to annuity revenue visibility, enhancing income predictability

Revenue model

By providing space to companies within the complex in addition to managing their logistics requirements, the Company expects to combine the best of two revenue models – fixed rentals arising out of leased space and other logistics revenues arising out of value-added end-to-end services

Service assurance

The Company provides tenants with the complement of quick, safe and competitive delivery (inward and outward; from doorstep and to doorstep), leveraging the Group's experience as India's largest operator of ports, airports, rail services (private sector) and multi-modal logistics parks.

Products

The Company possesses rich experience in the handling of products as diverse as liquids, bulk, automotive, break bulk, grain and cement, among other products, making it relevant to virtually every sector

Proximity

The proposed facility, 40 kms from Ahmedabad, will be serviced by proximate connectivity to road, rail, air strip (within the complex) and the Kandla and Mundra port approximately 350 kms away

Headroom

The 1500-acre facility will provide rapidly growing tenants with ample space within to service their evolving manufacturing and warehousing requirements without needing to shift, enhancing locational stability

Solution

The service provided by the Company comprises port/rail handling, customs clearance, warehousing, material movement (warehouse-factory-warehouse- customer). This is derived from the direct ownership of assets (ports and rakes), making it possible for the tenant to replace multiple vendors with one reliable long-term partner.

Competitive

The business is expected to leverage various Group capabilities because of which the aggregate solution is expected to be more cost-effective than the aggregation of the standalone costs of individual service providers, helping customers, in turn, get the benefit of competitive pricing

Expanding the footprint and adding new business lines

Dedicated freight corridor

APSEZ is expanding its logistic footprint across India to build multimodal logistics parks, warehousing, rail network and distribution with the objective to emerge as the leading integrated logistics service provider in India. APSEZ emerged as the successful bidder and received LoA from Dedicate Freight Corridor Corporation of India Limited (DFCCIL) for the development of freight terminals with exclusive station connectivity across eight locations on the Western Dedicated Freight Corridor (WDFC) and Eastern Dedicated Freight Corridor (EDFC). Once developed, these terminals on the WDFC will enjoy direct DFC corridor connectivity and accelerate cargo movement, leveraging the advantage of a double-stack container rake movement, reducing logistics cost for users

General Purpose Wagon Investment Scheme (GPWIS)

Traditionally, open wagon rakes were supplied by Indian Railways to power, steel and other industries for the movement of bulk raw materials like coal, iron ore, clinker and limestone etc. Due to the increased wagon demand in Chhattisgarh, Jharkhand, Orissa and West Bengal by the coal, steel and other metal industries, sustainable cargo evacuation remained a challenge. In 2017, when many BOXN rakes were moved by railways under priority to feed power plants facing coal shortages, the metal industries suffered demurrage charges on import vessels due to the unavailability of rakes. The supply chain disruption led to a loss of business and product quality issues. This led Indian Railways to consult users leading to the GPWIS Policy in 2018. The policy empowered private players to invest in wagons to carry coal and iron ore. A liberalised approach by Railways in providing amendments to remove the Empty Return Ratio criteria and an annual cap on rebate enhanced the scheme's success.

The benefits of the new wagon induction comprise the following:

- Reliable evacuation assurance as private wagons are operated specifically for the single customer in the dedicated close circuit
- Reduced inventory costs following a streamlined supply chain
- Lower idle freight losses as new wagons comprise lower tare weight than existing older wagons
- No inconvenience in chasing Indian Railways in indent placement and maturity
- Induction of high capacity wagons compared to a majority of existing Railways wagons, resulting in increased average rake load
- Increased evacuation capacity for ports and mines
- Additional loading for Indian Railways without additional capex on wagons

As on March 31, 2021, Adani Logistics Limited (ALL), as a logistics service provider, operated 10 BOXNHL rakes under GPWIS for multiple customers. The Company's customers comprised steel plants, coking plants and pellet plants in the Dhamra port hinterland for which imported coking/ non coking coal was transported from the port to plants.

ALL is also handling the movement of domestic iron ore from mines to plant and export iron ore from mines to port. In FY 2021-22, ALL will expand its GPWIS services to private power plants in West and Central India, procuring coal from Northern Coalfields Limited (NCL) and South Eastern Coalfields Limited (SECL) mines, respectively. The Company's target is to move from east-centric operations to a pan-India presence, servicing multiple plants across the country.

Warehousing

ALL aspires to cater to the increased demand of Grade A warehousing in India, including built-to-suit warehousing. Grade A warehousing witnessed demand growth in the last few years; ALL developed warehouses across multiple cities serving several customers. ALL aims to increase its warehousing capacity in the coming years with various formats of warehouses and a pan-India presence catering to all sectors. The format will be mixed in the form of MMLPs and standalone locations to service various industrial locations.

Whilst there has been a trend towards consolidation following GST implementation, supply chain disruption following the COVID-19 pandemic tested this theory. The biggest change following the e-commerce boom is the need for Fulfilment Centres and Sorting Centres nearer consumption points. The average expected turnaround time for delivery significantly reduced, increasing the demand for in-city warehousing locations. Essentials such as vegetables, groceries and medicines require only a few hours' delivery window.

Fulfillment Centre (FC) and Sorting Centre (SC) warrant large warehouses crossing a million sq ft. whereas in-city Distribution Centers usually need sub-40-50,000 sq ft. ALL is positioned to cater to all requirements across India. Reverse logistics has also taken an important role following the e-commerce boom; the space required is adding to demand.

E-commerce and third party players will adopt a mixed model of consolidated and distributed warehouses depending on consumption capacity, catchment areas and sector. ALL is the perfect partner of choice when it comes to Grade A warehouses. A post-COVID world will witness a more resilient supply chain with a focus on e-commerce-based fulfilment and delivery.

Following the development of MMLPs, all facilities in one location (customs, warehousing etc.) can de-risk customers from potential supply chain disruptions. The infra push and product-focused manufacturing clusters will make multi-modal logistics parks more relevant.

Outlook

The subject of logistics is at an inflection point. There is a greater awareness that the age of passing cost increases to customers is over; companies will need to locate cost inefficiencies from within their businesses; the increased margins of the future will need to come from waste elimination and moderated costs.

Better logistics management represents low hanging fruit. Logistics is core to most companies; there are teams dedicated to logistics management inside companies; much of the focus has until now been on more of the same in line with organisational growth without fundamentally altering logistics dynamics.

The proposed logistics complex represents a decisive and exciting game-changing signal of where the country is headed in terms of improved logistics management. The proposed logistics complex could be the first of such facilities across the country; a 'network' of similar facilities could provide pan-India companies with a one-stop national logistics solution.

Project details

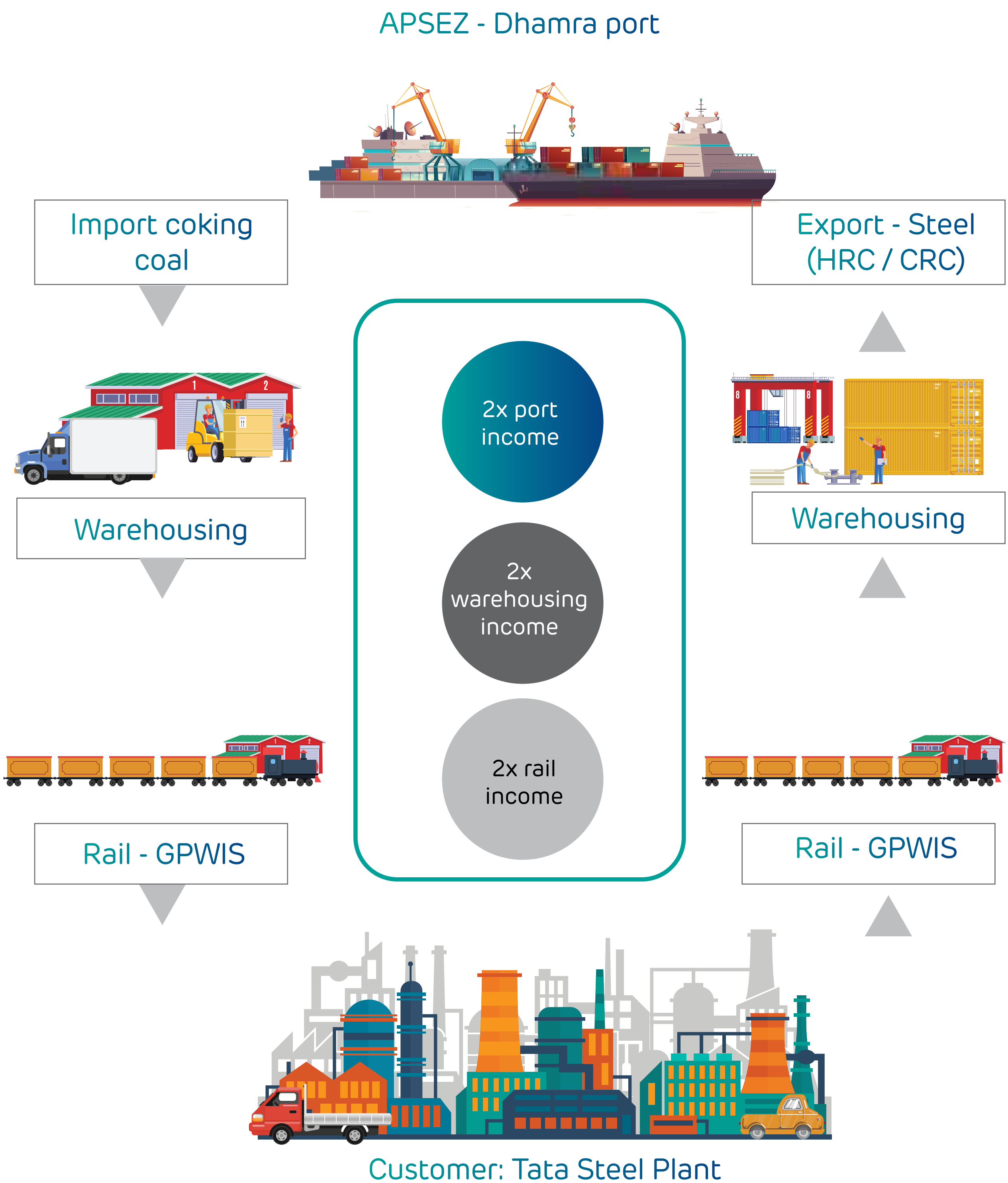
The Gujarat government signed a memorandum of understanding (MoU) with Adani Ports and Special Economic Zone Limited for establishing India's biggest multi-model logistics park. The proposed complex will be located at Virochan Nagar near Sanand on Ahmedabad's outskirts. This Park will be connected to the Dedicated Freight Corridor and all major ports. This will be a first-of-its-kind multi-modal logistics park facility in India serviced by air, rail and road across 1,450 acres. The projected investment outlay of ₹50,000 cr is expected to be incurred across 10-15 years.

Our proposed facilities

Dedicated air freight terminal	Air cargo and warehousing zone (9 million sqft)			
Air cargo hub with 4.6 km long runway serving exim and domestic markets	Air cargo hub	Customised / build-to-suit warehouses	Grade A warehouses	Textile warehouses

Handling zone for various cargo			Rail freight terminal	
Auto storage yard	Steel storage yards	Petroleum Oil and Lubricants (POL) tank farms	Container and bulk cargo storage and handling infrastructure	Other enabling infrastructure like business centers

Integrated operations



Part 3

Integrated 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 fundamentally 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
What is it	Financial resources that the Company already has or obtains through financing	The Company's tangible and intangible infrastructure used for value creation through business activities	Intangible, knowledge-based assets
Management approach	▪ 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
Significant aspects	▪ Balanced and diversified growth ▪ Sound financial structure ▪ Operational excellence ▪ Sustainable outcomes and dividends	▪ Number of ports, Inland Container Depots (ICDs), warehouses cargo handling capacity ▪ Other assets	▪ Digitalisation for efficiency ▪ Disruptive technology and business models ▪ Collaborate with partners for innovative business solutions

	Human Capital	Natural Capital	Social and Relationship Capital
What is it	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
Management approach	▪ Availability of a committed and qualified workforce offers an inclusive and balanced work environment	▪ Ensure sustainable use of natural resources and contribute to combating climate change	▪ Promote trust with stakeholders, improving the quality of life of people in areas of presence ▪ Wellbeing of the workers and dignity of workers ▪ Zero incident programme
Significant aspects	▪ Employee well-being ▪ Talent management ▪ Diversity, equal opportunity ▪ Learning & development	▪ Climate change ▪ Preservation of biodiversity ▪ Management of environmental footprint ▪ Operational excellence and energy efficiency	▪ Stakeholder engagement ▪ Community support programmes ▪ Human rights ▪ Brand management ▪ Transparency and good governance ▪ Corporate reputation

FY 2020-21 highlights

APSEZ's growth platform

Financial Capital	**12,550** Revenue (₹, crore)	**8,063** EBITDA (₹, crore)	**5,049** PAT (₹, crore)	**12** ROCE (%)
Manufactured Capital	**247** Total cargo volume (MMT)	**7.2** Total container volume handled (million TEUs)		
Intellectual Capital	Real-time vessel movement tracking	Streamlined data repository		
Human Capital	**3.5** Employee turnover (%)	**4.42** Revenue per employee (₹, crore)	**1** LTI On-roll + FTE on Contract	**0** Fatalities On-roll + FTE on contract
Human Capital	**0.21** Injury rate for On-roll + FTE on contract (Per million manhours worked)			
Natural Capital	**24,27,524** Total power consumed (GJ)	**167** Energy intensity (GJ/Revenue in ₹ crore)	**77** Environment investment (₹, crore)	**4,126** Water consumed (million liters)
Natural Capital	**0.28** Water consumption intensity (ML/Revenue in ₹ crore)	**3,07,670** GHG Emission (tCO_2e)	**21** Emission intensity (tCO_2e/Revenue in ₹ crore)	**17.15** Planting (lakh saplings/ trees)
Social and Relationship Capital	**4.95** Number of direct and indirect beneficiaries (lakh)	**0.37** Injury rate of contractual workforce (Per million manhours worked)	**6** Fatalities contractual Workforce	**16** LTI contractual Workforce
Social and Relationship Capital	**73** CSR expenditure (₹, crore)	Guidelines on Human Rights	Increased transparency with ESG dashboards	Good governance UNGC membership

The APSEZ business model

Financial Capital

32,097
Equity
(₹, crore)

34,401
Debt
(₹, crore)

5,049
Net Income
(₹, crore)

Manufactured Capital

11
Operating ports
1
Ports under construction

5
Multi-modal logistics park

498
Cargo handling capacity
(MMT)

12,000 +
Land bank
(hectares)

0.87
Operational agri silo capacity
(MMT)

Intellectual Capital

Standard operating procedures

Workflow automation

Human Capital

2,733
Permanent employees

90
Full time employees - on contract

53
% of millennial employees

4.68
Average training, person-days a year

1
Average safety training person-days per employee

Social and Relationship Capital

2,299 Employee volunteering hours	**73** (₹, crore) CSR expenditure	**1.5** Average safety training person-days per worker

Natural Capital

Energy mix				
59 Fuel (%)	**36** Grid (%)	**5** Renewable (%)	**167** Energy intensity (GJ/Revenue in crore)	**4,126** Water consumption (ML)

0.28 Water consumption intensity (ML/Revenue in crore)	**77** Environmental investment (₹, crore)	**1.7** Trees planted/ conserved (million)

Value created

Culture-efficiency improvement: Enhancing and sustaining business through improvement in asset utilisation, focus on collaborative work and innovation

Consumer logistics: Full-scale logistics solution provider to customers

Container and cargo growth: Focusing on cargo growth by improving stickiness of cargo through long-term contracts, cargo diversification and bring together with 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 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

- Partnership opportunities for suppliers and subcontractors to contribute and share in our success
- Placing customer centricity as the key pillar to drive profitability and revenue
- Enhancing value through automation and use of technology
- Improving market share
- Target to maintain cargo growth at least 1.5x of all-India level
- Progressive port operations EBITDA improvement by 100 basis points

The outcomes of our business model

Financial Capital

12,550 Revenue (₹, crore)	8,063 EBITDA (₹, crore)	5,049 PAT (₹, crore)
12 RoCE (%)	5 (₹ share) dividend proposed by the Board	

Manufactured Capital

247 Cargo volume (MMT) (11% y-o-y growth)	7.2 Total container volume handled (million TEUs)	68 Non-coal volume out of total volume handled (%)

Intellectual Capital

Integrated real-time vessel movement tracking	Streamlined data repository	Minimised congestion, pollution due to the deployment of technologies

Human Capital

3.5 Employee turnover (%)	1 LTI — On-roll+ FTE on Contract 16 Contractual workforce	0 Fatalities — On-roll + FTE on Contract 6 Contractual workforce

Social and Relationship Capital

4.95 Total number of direct and indirect beneficiaries (lakh)	97 Local procurement (%)

Natural Capital

1,11,510
GHG Scope 1 emission
(tCO_2e)

1,96,160
GHG Scope 2 emission
(tCO_2e)

3,48,341
GHG Scope 3 emission
(tCO_2e)

21
GHG intensity
(Scope 1 + Scope 2)
(tCO_2e /Revenue in crore)

6,885
Waste
managed
(MT)

29,359
Carbon offset due
to renewable energy
projects
(tCO_2e)

650
Wastewater recycled
and reused
(ML)

Fostering deep and wide partnerships

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

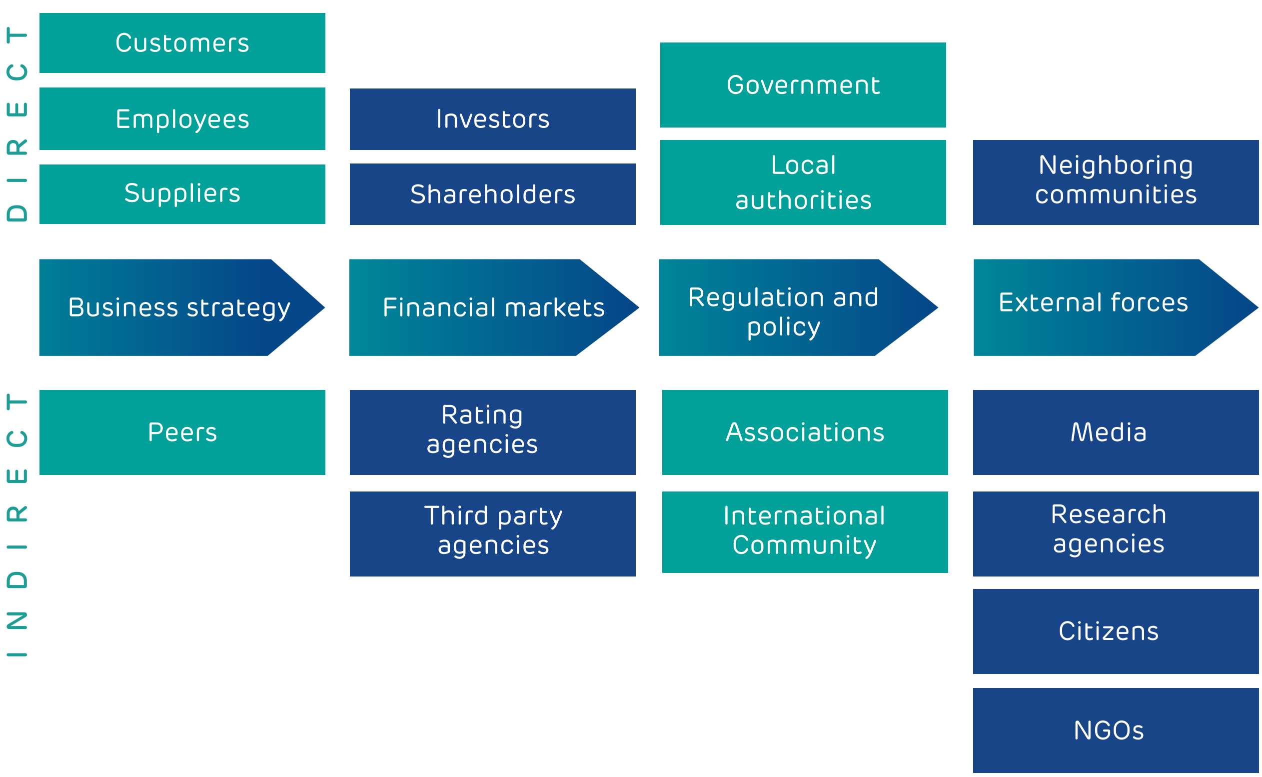
Overview

Our stakeholders comprise our customers, suppliers, business partners, employees and the communities in which we operate.

APSEZ is convinced that only companies that act responsibly enjoy stakeholder trust. However, merely acting responsibly may not be sufficient; listening carefully to stakeholder concerns, feedback and suggestions is critical.

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 APSEZ's decisions and in turn, be influenced by the actions of the Company. With this in mind, we categorised key stakeholders, based on the criteria of type of influence (direct, indirect) and impact areas (business strategy, financial markets, regulations, policy and externalities). All these groups have a compounding impact on the Company in terms of risks, opportunities and potential.

Stakeholder Landscape



We developed formats for our dialogue with stakeholders, which we use with our engagement procedures. These help us in eliciting feedback from direct and indirect stakeholders on a continuous basis. During FY 2020-21, the pandemic prevented us from engaging one-to-one with most of the stakeholder groups; we compensated this by introducing digital engagement modes and sharing insights with our teams. While we seek the widest representation of voices across the four impact areas, resources required to acquire authentic feedback challenged us to take this to its full potential.

When choosing topics for dialogue with stakeholders, we considered the nature of business relationship, upcoming issues/ megatrends and sector outlook as guiding notes. We also used this opportunity to validate and, where relevant, revised our materiality matrix.

Engaging with key stakeholders

Stakeholders	Engagement method	Engagement frequency	Outcomes
Customers	Online survey, e-mails, online grievance mechanism, reports, brochures, feedback mechanism, customer meets, website, customer support cells	Quarterly, annually, as and when required	**Engagement with upstream customers** Leading shipping companies are our upstream customers. We provide marine services to those customers at five ports: Mundra, Hazira, Dhamra, Kattupalli and Dahej. For them, we conduct a regular marine feedback survey. In FY 2020-21, across the ports, 4,263 marine vessels participated in the survey in which almost 99% of customers were satisfied with our services. However, few customers gave suggestions like minimising paper work through digital means. From FY 2019-20, we engaged and initiated the collection of fuel consumption details from the visiting vessels during their port stay, which allows us to evaluate the respective scope 3 emissions. **Engagement with downstream customers** A downstream customer engagement survey was conducted for dry cargo, liquid cargo, container, logistic services, dredging services, and special economic zones. 93% customers were pleased with APSEZ's services and intend to use our services again. Approximately 56% customers expressed their interest in contributing to our social and environmental commitments; our ESG related policies and guidelines were known to nearly 65% customers.
Employees	Online survey, magazines, e-mails, intranet, reports, website, online grievance mechanism, one-to-one interactions, Town Hall meetings and brochures	Continuous, weekly, monthly, quarterly and annually	In FY 2017-18, APSEZ conducted employee engagement survey through Gallup in the areas of growth, teamwork, management support and basic needs, with a focus on career development, performance orientation, leadership, empowerment, managerial accountability, communication, respect and dignity. Overall Satisfaction Score was 4.1/5. APSEZ prepared a detailed time-bound engagement plan, based on survey findings spread over a two-year period. In FY 2020-21, to ensure the wellbeing of employees, APSEZ conducted a mental wellness survey covering emotional, social, financial and psychological wellness of its employees in which 75% of the total workforce participated and the overall wellness score was 3.71/5. APSEZ was certified as a Great Place to Work in FY 2020-21.

Stakeholders	Engagement method	Engagement frequency	Outcomes
Suppliers	Online survey, e-mails, vendor meet, online grievance mechanism, site visits, one-to-one interactions, reports and website	Quarterly, annually, as and when required	In FY 2020-21, dialogues with material & service suppliers through online vendor engagement surveys revealed that 97% vendors were satisfied with our working mechanism and were likely to work again with APSEZ, although a few vendors claimed to be uncomfortable with the late delivery penalty clause. In our journey to implement sustainability goals, nearly 80% vendors agreed to become active contributors.
Investors, shareholders and third-party ESG rating agencies	Reports, website, investor meets, one-to-one interactions, annual general meeting (AGM) and online grievances mechanism, e-mails	Ongoing	Through our Investors Connect programme, we engage with investors and shareholders on strategy, acquisitions, financial planning, ESG controversies etc. While the investors are convinced of the business and ESG strategy, they are sceptical about issues like related party transactions, safety performance and governance structure. We engage with ESG rating agencies like MSCI, Sustainalytics etc. for transparent disclosures and participating in their feedback process for information verification.
Regulatory authorities	Reports, website, one-to-one interaction, events, e-mails, letters and meetings	Annually as required	Local authorities and legislators enquire if there are concerns around key environmental impacts such as water management, plant safety, permit procedures, effective use of resources, waste management and community related grievances. In FY 2020-21, regulatory bodies inspected the Kattupalli expansion project in line with concerns raised by the local community; the Company provided all relevant information with clarity on the proposed project.
Community	Focused group discussions, one-to-one interactions, media, website, online grievance mechanism and field visits	As required	Through our engagements with the community, APSEZ is confident that local communities trust our efforts in the areas of education, health, livelihood and infrastructure development (carried out by Adani Foundation). However, there were instances of community complaints, which were resolved to their satisfaction level.

Grievance redressal

It is our endeavour to enhance stakeholder value and enrich communities. We are committed to hear all stakeholders and address their concerns. To facilitate this, we adopted a systematic, seamless and unambiguous grievance redressal procedure. This procedure is adopted by all our functions and across all stakeholders.

Our grievance reporting initiatives comprised a 24x7 grievance reporting mechanism through our website, dedicated telephone numbers and drop boxes at prominent locations. 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 timeframe. To increase transparency, a grievance dashboard will be implemented for the aggrieved to view status, resolution and provide feedback.

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 (GCCI)
- 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

Issues that influence value creation

Overview

Our Sustainability & ESG priorities are aligned with materiality assessment and enterprise risk management. The results of our materiality analysis are grouped, providing a structure to our ESG performance section.

The last extensive review of our materiality analysis was carried out in FY 2019-20. This comprised reaching relevant stakeholders about important sustainability issues at APSEZ. We consulted subject specialists, brainstormed across functions and mapped potential issues. Attention was paid to positive and negative financial impacts in the light of emerging ESG risks and opportunities.

APSEZ's enterprise risk management framework enables the Company to identify strategic, financial and operational ESG risks. The ESG risks occupy a central place in our assessment process as they can have a significant impact on the Company's business model and value drivers (revenues, margins and capital outlay).

The objective is to identify material topics for each business vertical including ports, logistics, dredging, harbouring and SEZ, covering registered entities.

The process is conducted under the guidance of Sustainability and CSR Committee of the Board, with inputs from the Stakeholder Relationship, Risk Management, Audit Committees and the Board. Although in FY 2020-21, a formal process of consultation could not be conducted, material issues were reviewed by the senior management for consistency and relevance.

Eleven material topics that featured as 'high' at most locations were prioritised for onward strategy, management and execution. The adjoining table indicates the feedback of our stakeholders and our strategy around the most important sustainability topics.

Top three material topics

Occupational health & safety ↔ (short-term, Social)	Climate change ↔ (long-term, environment)	Biodiversity & land use ↔ (medium-term, environment)

In line with global concerns about the widespread impact of the pandemic, 'Occupational Health, Safety and Well-being' emerged as a prominent ESG issue. This material issue referred to the physical and mental well-being of employees and on-site workers, including measures to prevent the spread of the pandemic at our sites (managed and controlled). The material issue of climate change, biodiversity and land use continued to be our priority, reflecting the growing evidence of likely impacts on business and society.

Other material topics

Natural resource conservation ↔ (Long-term, Environment)	Community relations ↔ (Short-term for new projects, medium for operational projects, social)	Availability of skilled talent ↑ (Short-term, previously medium-term, Social)
Labour relations & human rights ↑ (Short-term, Social)	Employee engagement & well-being ↑ (Short-term, Social)	Vendor relations ↑ (Medium-term, Social)
Cybersecurity ↑ (Short-term, previously medium-term, Economic)	Social infrastructure availability ↓ (Long-term, Social)	

Shift in 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 & human rights became prominent, while social infrastructure availability declined. 'Vendor Relations' and 'Availability of Skilled Manpower' increased in importance, owing to the higher expectations for APSEZ to support vendors that operate in our premises and mass migration of the workforce leading to non-availability of skilled manpower during the lockdown.

Work-from-home put cybersecurity at risk considering the prospect of data breaches as a result of the flow of confidential data across online pathways. The new material issue on 'Labour Relations and Human Rights' underscored the rising awareness of potential labour and human rights-related issues. Social infrastructure availability was the only aspect that levelled 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 witnessed an exogenous shock in the form of the COVID-19 pandemic since the start of the last fiscal year. 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 from late May 2020, 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 disruptions. Business contingency strategies and measures were implemented.

The lockdown provided APSEZ with an opportunity to reflect on commitments to SDGs. During this crisis, ASPEZ came across challenges from 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 co-existence 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 cr to the PM Cares Fund in addition to resources directly spent to address the affected.

ESG outlook

APSEZ's ESG outlook is aligned to 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, SDGs and IBBI etc.

The implementation of ESG principles starts from conceiving the project and continues through the lifecycle 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 the other businesses. These targets are to be achieved by FY 2024-25 with a projection of interim targets. Two acquired ports will be included in our ESG framework from FY 2021-22. The ESG performance will be assessed and aligned with our target. Accordingly, the base year and reduction targets will be revised from FY 2021-22.

Environment

Indicator	FY 2020-21 Target	Achievement	FY 2021-22 Target	FY 2024-25 Target
Renewable energy[$]	20 MW	100%	21 MW	100 MW
Renewable energy/ total energy share[$]	6%	88%	6%	25%
Renewable energy/ grid energy share[$]	12%	125%	15%	45%
Energy intensity reduction*	40%	83%	30%	50%
Emission intensity reduction[*$]	40%	88%	35%	60%
Water consumption intensity reduction*	50%	110%	55%	60%
Water withdrawal from non-shared resources	75%	89%	76%	80%
Rainwater harvesting structure	10	90%	10	20
Waste intensity reduction[#]	20%	75%	20%	30%
Zero waste to landfill certification	3 ports	100%	6 ports	12 ports
New targets				
Single use plastic free sites	–	9 ports	11 ports + 4 ICDs	12 ports + 4 ICDs + 14 Agri-logistics Sites
Alliance for Water Stewardship Certification	–	–	–	12 Ports
Wash assessment	–	–	6 ports	12 ports
Recycle and reuse of wastewater		1.78 MLD	2 MLD	10 MLD
Mangrove afforestation	–	2989 Ha	3200 Ha	4000 Ha
Terrestrial plantation	–	965 Ha	1000 Ha	1200 Ha

*Base year is FY 2015-16; # Base year is FY 2017-18; $ We are revisiting the energy and emission targets in line with our goal of carbon neutrality.

Social

Indicator	FY 2020-21 Target	Achievement	FY 2021-22 Target	FY 2024-25 Target
Voluntary attrition	<6%	3.5%	<4%	<4%
Employee satisfaction	4.2/ 5	4.1/5	4.2/ 5	4.5/ 5
Average employee training	3.75 days	4.68 days	5 days	5 days
Supplier satisfaction	4.5/5	3.9/5	4.5/5	4.75/5
Customer satisfaction	4.5/5	4.2/5	4.5/5	4.75/5
Safety	Mandatory training	100%	Zero incidents	Zero incidents
Community Based Skill Development Program	50000 Enrollment	68149 Enrollment	69000 Enrollment	100000 Enrollment
Women Self Help Group	150	160	165	200

Governance

Indicator	FY 2020-21 Target	Status	FY 2021-22 Target
Policy	▪ All CXO-level employees and KMPs compensation to be linked to safety targets achieved	All CXO level salaries are linked to safety as per Xceed scheme.	
	▪ Audit Committee and Nomination and Remuneration Committee consisting of only Independent Directors	This is in progress and will be completed by FY 2021-22	Audit Committee and Nomination and Remuneration Committee consisting of only Independent Directors
Committee			Establishment of Corporate Responsibility Committee
Strengthening ESG Practices			Laying out Information Memorandum covering all the Environment, Social & Governance related matters in line with International framework

ESG strategy, goals and target implementation

Implementing ESG strategies, goals and targets are cross-functional responsibility at APSEZ. While the corporate governance mechanism provides strategic outlook and direction, SLC members and the head of operations of each business unit are in charge of tracking progress towards goals. Managers within each business unit are responsible for monitoring performance and reporting to the Directors of operations. Corporate Sustainability team and managers are accountable for monitoring external trends, including regulatory and non-regulatory, assessing the risks, opportunity and potential uncertainties.

Integrated Management System comprising quality, environment and occupational health & safety provides support in setting up roles and responsibilities, and processs for reporting. This applies to all units of APSEZ, including joint ventures, partners, customers and suppliers and is based on legal requirements, internal policies and standard operating procedures.

Management systems supporting implementation of ESG

All 10 ports and two joint ventures (AICTPL and ACMTPL) are certified with the Integrated Mangagement System (IMS) comprising of Quality Management System (ISO 9001:2015), Environment Management System (ISO 14001:2015) and Occupational Health and Safety Management System (ISO 45001:2018). Five ports (Mundra, Tuna, Dahej, Hazira and Goa) and two joint ventures are certified with Energy Management System (ISO 50001:2018) as well. At other ports, the implementation of ISO 50001 is under progress. Additionally, three ports are ISO 28000:2017-certified (Security Management System for Supply Chain).

All our logistic operations, except one, is certified with IMS. All the agri-logistics sites are certified with Food Safety Management systems (ISO 22000:2018).

Our utility company MUL, dredging company SSIDL and harbouring company TASHL were also certified with IMS.

By and large, we leverage technology for data collection and analysis. Sustainability Information Management System (SIMS) assists in decentralising data input and the regular assessment of performance and progress.

We deploy extensive multilevel training programmes with cross-functional teams to ensure that policy, implementation and the sharing of best practices occur 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 safety performance, energy performance and water management.

Social & environmental due diligence - ESMS implementation for all sites are in process

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 business activities and avoid, minimise and compensate for such impacts as needed. A good management system provides for consultation with stakeholders and means for addressing concerns from workers and local communities. Consequently, APSEZ adheres to the IFC Performance Standards issued by the World Bank during construction, operation, mergers and acquisitions.

In a recent measure, we initiated Supplier ESG assessment where environmental KPIs such as energy use, water use, efficiency, fuel consumption etc. are 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 can be accessed in the Supplier section.

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.

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, sustainability assurance are conducted half-yearly by EY. Additionally, we are engaged in internal audits of operations every six months.

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.

CDP DISCLOSER 2020	▪ APSEZ participates in CDP annual disclosures for climate change and water security. ▪ In CDP Disclosure 2020, APSEZ Scored 'B-' for Climate Change and 'B' for Water Security. APSEZ also received 'B' in the Supplier Engagement Rating.
S&P Global	▪ APSEZ is participating in DJSI Corporate Sustainability Assessment. ▪ APSEZ received 55/100 score in CSA 2020.
SCIENCE BASED TARGETS	▪ APSEZ committed for Science Based Targets initiative – Business ambition for 1.5 degree Celsius. ▪ APSEZ is in the process of setting the target and submitting it for validation.
SUSTAINABLE DEVELOPMENT GOALS	▪ APSEZ aligns its ESG activities with the United Nations Sustainable Development Goals (SDGs).
IBBI INDIA BUSINESS & BIODIVERSITY INITIATIVE	▪ APSEZ signed up for India Business & Biodiversity Initiative. ▪ APSEZ submitted its first progress report in 2020.
	▪ APSEZ is a member of the Climate Ambition Alliance, committed to net zero emissions by 2050 .
TCFD	▪ APSEZ is supporter of the Task Force on Climate Related Financial Disclosures. ▪ The Integrated Annual Report FY 2020-21 is aligned to TCFD recommendations.
IUCN	▪ APSEZ is member of International Union for Biodiversity Conservation. ▪ APSEZ is enhancing awareness among employees across its sites through IUCN - Leaders for Nature.
UNITED NATIONS GLOBAL COMPACT	▪ APSEZ is member of United Nations Global Compact and committed to conduct all the activities in alignment with the 10 Guiding Principles. ▪ APSEZ will submit the first communication on progress in November 2021.
CEO WATER MANDATE	▪ APSEZ is endorsing United Nations CEO Water Mandate. ▪ APSEZ will submit the first Communication on Progress in November 2021.
IFC International Finance Corporation	▪ 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.
GRI	▪ APSEZ aligns its ESG reporting framework with GRI standards.
INTEGRATED REPORTING <IR>	▪ APSEZ publishes its annual disclosure as per the IIRC framework.
National Guidelines for Responsible Business Conduct	▪ APSEZ submits the Business Responsibility Report (BRR) as part of Integrated Annual Report.

OUR DISCIPLINE

APSEZ. How we have created a progressively de-risked operating model ensuring business sustainability

Overview

The world is marked by unforeseen developments like economic downtrends, uncertain trade flows, reshoring 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 a resilient organisation. We aspire to be 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 unforeseen.

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. ERM follows 'bottom-up' and 'top down' approaches for risk management. E-enablement-ERM Tool comprises the following features:

- Overall location and Company level dashboard
- Categorywise risk dashboards with impact
- Generation of heat maps for each user and functions
- 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

Risk Identification	Risk assessment	Risk Recording	Risk Mitigation	Risk Monitoring
Risks are continuously identified and reported using templates and tools	Identified risks are analysed and assessed to determine triggers, impact and likelihood	Key risks are established, prioritised and documented and risk owners are appointed	Risk mitigation action plans are prepared and implemented across the affected businesses	Development of key risks and mitigation actions are monitored by risk deep dives and reporting

Risk Management System

In FY 2020-21, 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 2020-21

- 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 three 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.


adani
MAERSK
MAERSK
adani

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 (CIO) and Sustainability 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	Operational	Focuses on infrastructure vulnerability, competitiveness, people, safety and resource availability (water and power) Optimises overheads, costs and capital expenditure	Sustainability team and CEO APSEZ

Risk	Nature of risk	Strategic objectives impacted	Responsible Executive Management Team
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
Customer Risk	Strategic	Ensures financial flexibility Improves portfolio quality	Business development team
Debt Repayment Risk	Strategic	Ensures financial flexibility Optimises overheads, costs and capital expenditure 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

Strategic objectives

Focus on people, planet and prosperity	Ensures financial flexibility	Optimises overheads, costs and capital expenditure	Improves portfolio quality	Maintains long-term optionality

The mitigation of the most prominent risks, 2020-21

In FY 2020-21, APSEZ proactively worked on mitigating key risks shown in the Annual Report of FY 2019-20 to reduce residual risk levels. Efforts were invested in every decision-making platform, operating site and business to mitigate risks identified in FY 2019-20. 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 2020-21 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
Macro-economic Risk: The business that we are in is largely influenced by economic factors – international, national, and regional growth – outside our control.	▪ India's economic growth was severely affected in FY 2020-21, witnessing 7.3% GDP degrowth. ▪ Prolonged lockdown in country at the beginning of FY 2020-21, has severely impacted the demand of goods, services & hence transportation demand. ▪ Shock in economy has resulted in a demand-supply gap. In the ports & logistic sector, supply was high, which resulted in an inter-port competition. ▪ Can affect relevance within our region and sector.	High/ Stable	▪ The Indian economy is one of the fastest growing among major economies. ▪ The consumption-driven Indian economy is extensively under-consumed across products and resources. ▪ COVID-19 has negatively affected port volumes at many global & Indian ports. However, at APSEZ, we were able to manage the marginal growth in our port portfolio through strategic initiatives and effective stakeholder management.
Political Risk: This comprises the risk of a change in the government that could review existing policies.	▪ 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. ▪ A review of existing policies could affect sectorial and corporate prospects.	Stable	▪ The Indian government announced a number of long-term policies that enhanced the relevance of the ports and logistics sectors in India. ▪ 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.

Risks & their description	FY 2020-21 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
Regulatory Risk: The business is marked by permissions and restrictions across countries that could affect trade flows.	▪ This could potentially translate into censure and operational slowdown. ▪ This could affect the Company's credit-rating. ▪ Other policies-related risks like environment protection etc.	Low	▪ 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. ▪ APSEZ strategies are in line with the national direction as far as infrastructure investments are concerned. ▪ 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.
Competition Risk: The business could attract a sharp increase in competitive ports for cargo.	▪ FY 2020-21 resulted in almost 5% ports volume reduction at a pan-India level, which resulted in lower ports capacity utilisation across the sector. Lower capacity utilisation increased inter-port competition for contestable hinterland cargo. ▪ Pressure on pricing. ▪ Increased competition could affect growth and margins.	High	▪ Strategic assets: The Company developed a pan-India presence to serve customers across India. None of the other competing players possess this capability in India. ▪ Tied-up cargo: At many places we engaged customers for ports volume like power plants and vegetable oil refinery, which provide a competitive advantage over other ports. ▪ 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. ▪ The Company is the largest Indian private commercial port operator with the lowest operating cost. ▪ The Company established a respect for taking the business of its customers ahead.

Risks & their description	FY 2020-21 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
Customer service Risk: Deliver a superior service level to customers, which was promised to them.	▪ Providing a committed service level to customers in this difficult time of pandemic, where resource scarcity is common. ▪ Extending beyond the commitment to enhance customer confidence and long-term trust.	Stable	▪ APSEZ did not compromise service quality during the pandemic. ▪ Some additional benefits were provided to customers beyond contractual obligations. ▪ At APSEZ, service was monitored for swift action to mitigate adverse developments.
Cyber-attack: APSEZ is progressively moving towards digitisation, online platform developments and other similar IT initiatives. Hence data breach and cyber-attacks need to be prevented.	▪ Supply chains continue to be digitalised, with growing traction of electronic booking platforms. ▪ Cyber attacks could adversely impact business functions comprising financial losses, loss of customer confidence, reputational damage and operational accident. ▪ APSEZ has invested heavily to protect the Company from cyber-threats.		▪ APSEZ mitigation plan included a cyber security program, SOP across functions, cyber security awareness programs to employees and the development of business continuity plans.
M&A strategy Risk: There is a premium on the need to develop a successful Mergers & Acquisitions (M&A) strategy to fulfil our growth aspirations through inorganic growth acquisitions.	▪ Failure in concluding acquisitions could lead to financial, brand, reputation and other risks.	Low	▪ APSEZ has holistically analysed each M&A target with a set SOP format. ▪ APSEZ developed a standard framework for acquired assets, which includes integration of various functions and operations.
Geographic focus Risk: The business focus on select geographies could expose it to risks of change in weather patterns.	▪ Extreme weather patterns like cyclone impacting port operations. ▪ This could moderate operational competitiveness. ▪ This, in turn, could affect stakeholder confidence.	Low	▪ We created locationwise disaster management plans to address challenges. ▪ The Company invested in data-based research before it arrived at the selection of stable geographies of its presence. ▪ The Company has not faced any decline in asset productivity based on erratic (though fleeting) weather patterns.

Risks & their description	FY 2020-21 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
Auction Risk: An inability to submit the lowest bids for port projects could translate into a loss of prospective revenue.	▪ This could stagger the Company's growth rate. ▪ This could affect the Company's ability to enhance revenue visibility and corporate predictability.	Stable	▪ The Company developed a robust techno-commercial capabilities in submitting winning bids. ▪ The Company was selective about bidding only for projects that promised an attractive profitability hurdle rate. ▪ 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.
Land Availability Risk: The business is land-intensive; inability to acquire the right land parcel (by size, topography, location and cost) could affect growth prospects.	▪ Availability of land banks across proposed developmental sites. ▪ This could affect corporate growth. ▪ Increased land cost could affect competitiveness.	Medium	▪ A centralised land management team was developed to facilitate the land acquisition process. This department helps procure land from various agencies and individuals. ▪ 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.
Project management Risk: An inability to commission projects on schedule could affect the Company's reputation and market standing.	▪ Usually projects delay also incur additional cost. ▪ In case-to-case projects, this also leads to punitive charges/ fines. ▪ Opportunity cost loss. ▪ This could stagger revenue inflow. ▪ This could increase project cost and affect long-term project viability.	Low	▪ The Company coordinated across resource assessment, land acquisition, construction readiness, technical studies, and supply chain management, resulting in projects being implemented quicker than the sectorial benchmark. ▪ The Company drew on the Adani Group experience of having successfully implemented projects across 12 port locations in India.
Receivables Risk: An inability to market services to credible customers could affect receivables and revenues.	▪ A low revenue visibility could enhance the risk quotient of the project. ▪ A higher risk project with an open revenue position could affect credit rating.	Low	▪ The Company worked with credible customers resulting in timely cash flows and virtually no payment defaults.

Risks & their description	FY 2020-21 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
Debt repayment Risk: The business drew on long-term debt, any failure in repayment or servicing could affect its prospects.	▪ This could affect the possibility of raising additional debt. ▪ This could affect the Company's credit and its prospects in mobilising debt at a low cost for onward expansion.	Low	▪ The Company worked with a prudently safe buffer of (3x) more than the adequately covered periodic payables to lenders. ▪ The Company (or Adani Group) did not miss a single payment to lenders in nearly three decades of business existence. ▪ The average tenure of the long-term debt on the Company's books increased; debt cost declined in the last few years ending on March 31, 2021. ▪ The Company was accorded IG rating, the highest within India's ports sector.
Currency Risk: The Company's debt repayment could be stretched by adverse currency movements.	▪ The quantum of forex debt to be repaid could increase beyond the projected figure. ▪ Absence of exports could prevent the Company from passing on the currency depreciation impact.	Medium	▪ 31% of the Company's long-term debt was in Indian currency as on March 31, 2021. ▪ The forex debt on the Company's books was hedged completely by export income.
Locational Risk: The Company could invest in the wrong port location, a risk that is virtually impossible to correct.	▪ APSEZ has a robust framework for evaluation of new business opportunity at any location. All port site selection has been done through this mechanism. ▪ 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.	Low	▪ The Company conducted extensive studies across port establishment costs, cargo throughput possibilities and hinterland development prospects to arrive at an informed investment decision. ▪ APSEZ actively engaged with all relevant stakeholders for business sustainability. ▪ All the Company's investment decisions were based on a pre-tax 16% IRR hurdle rate. ▪ The robustness of the Company's decision-making capability was reflected in each of the ports being profitable and growing year-on-year.

Risks & their description	FY 2020-21 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
Demand Risk: There is a risk that emerging cargo demand from a port may not materialise the way once forecasted.	▪ Due to the pandemic, port volumes witnessed an overall reduction across India. ▪ Energy-related commodities especially thermal coal, crude and POL witnessed the highest decline in cargo volumes. ▪ Erratic demand patterns can affect port utilisation and revenue predictability.	High	▪ APSEZ developed most of its port portfolio as a multi-commodity managing locations, minimising risks related to over dependence on a specific cargo type. ▪ Container cargo is one of the highest growth commodities in India; APSEZ developed container terminals across the Indian coastline to address this opportunity. ▪ 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. ▪ Each of the Company's port locations was selected judiciously based on a relatively under-explored demand pattern that has only grown over time. ▪ The Company selected to deal in a cargo mix whose relevance is only likely to increase in a growing and prosperous India.
Projects Risks: There could be a delay in the commissioning of greenfield or brownfield capacity.	▪ A delay in commissioning could affect customer service, payback tenure and return ratios.	Low	▪ APSEZ has learnt a lot from two decades of diverse projects execution experience. Learnings from the past have been inculcated in decision making criteria for new projects. We developed a robust mechanism for contractor selection, tender document preparation, estimation, value engineering and vendor development. ▪ APSEZ developed an efficient project delivery system without compromising cost, time, quality and ESG standards. ▪ The Company possesses one of the most competent pools of execution capabilities within India's ports sector. ▪ The team demonstrated a long-standing record of outperformance – commissioning projects in short tenures and at costs lower than the national benchmark.

Risks & their description	FY 2020-21 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
People Risk: The Company could fail to attract or retain competent professionals.	▪ This could affect the Company's ability to leverage knowledge, affecting its brand, productivity and profitability.	Low	▪ The Company is a preferred industry employer. ▪ The Company's talent retention is the highest within its sector. ▪ The Company offers unmatched professional and personal growth opportunities within its sector. ▪ APSEZ believes in the continuous skill development of onboarded employees; initiatives were undertaken to create a future ready organisation.
Environment Risk: The Company may find it difficult to match tightening global ESG standards.	▪ This could invite censure, criticism and the prospect of some environmentally-conscious shipping liners moving their business to competing ports. ▪ Compliance with national laws.	Low	▪ The Company progressed on ESG, aligning with international standards and commitments (UNGC). ▪ The Company made extensive investments in moderating its carbon footprint and extending beyond regulatory requirements. ▪ The Company expects to emerge as the world's first carbon-neutral ports company by 2025. ▪ APSEZ follows all the norms laid by CPCB/SPCB and other agencies.
Safety Risk: The business of cargo management, projects and transportation could be affected by low safety standards.	▪ Low safety could affect the Company's respect. ▪ Human injury could affect worker morale.	Low	▪ The Company embedded a leader-led approach across the organisation. ▪ The Company invested in mechanisation to enhance holistic safety. ▪ The Company deepened its safety orientation with an overarching safety culture, training and SOP-based processes.
Liquidity Risk: The Company's Balance Sheet may be stretched following increasing investment requirements.	▪ This may affect the Company's liquidity and gearing. ▪ In turn, this may affect the Company's credit rating and the capacity to mobilise low cost resources for onward investment.	Low	▪ The Company possesses adequate liquidity to fund growth without compromising Balance Sheet integrity. ▪ The Company maintains a liquidity of around 3.0 (Net debt/ EBIDTA), which is considered prudent and comfortable.

Major controversies

<table>
<tr><th>Case</th><th>Status</th><th>Actions Proposed / Taken</th></tr>
<tr><td>Criticism over alleged complicity in Myanmar military's human rights abuses</td><td>Ongoing</td><td>

India's trade and foreign policy is focused on strengthening relationships with ASEAN countries that matured as the 'Look East Policy'. To expand its container terminal network in ASEAN, APSEZ established Adani International Terminal Pte Ltd (AITPL) in Singapore in July 2017. Adani Yangon International Terminal Company Limited (AYITCL) was established in February 2019 for carrying out business in Myanmar, a 100% subsidiary of AITPL. AYITCL applied to Myanmar Investment Commission (MIC) administered by the civilian government for approving an investment of USD 290 million for the construction of a greenfield container terminal at a Myanmar port, which was granted by MIC for 50 years. In May 2019, a Build Operate and Transfer (BOT) contract for 50 years was signed for setting up a container terminal; land was allotted on lease by Myanmar Economic Corporation Limited (MEC) facilitated by MIC. As per the agreement, APSEZ was to pay USD 90 million for land lease premium and USD 20,000 as annual lease charge. All negotiations and payments to MEC were made in advance of the imposition of sanctions against that entity. APSEZ's last such payment to MEC occurred in August 2020, six months prior to the imposition of sanctions. Since then, there has been no transaction with MEC and / or any other sanctioned entities.
The Company is in discussions with its US-based counsels (Morrison Forester LLP). The engagement partner opined that:
1) The Company's risk of exposure to the U.S. sanctions against Myanmar is low;
2) The U.S. sanctions laws and regulations do not require compliance by non-U.S. persons where there is no nexus with the United States;
3) The prohibitions do not apply retroactively to per-sanctions activity.
The Company has zero-tolerance policy to ensure that there is no contravention of US and other sanctions. The risk management committee of APSEZ, formed under the ERM framework, facilitates a periodic review of risk areas, evaluates consequences, initiates a risk mitigation strategy and implements corrective and preventive measures which are:
1) The Company to engage with the US counsels to ensure that it is compliant with OFAC sanctions;
2) Considering the sanctions have been imposed by the Biden Government and not by European Union or United Nations and the Company being a 144A issuer in the United States, APSEZ can proactively approach OFAC to make sure that it is not in violation of the sanctions due to the recent developments; and
3) In a scenario where Myanmar is classified as a sanctioned country under the OFAC, or if OFAC opines that the Company is in violation of the current sanctions, the Company plans to abandon the project and write-down its investments in the project in full. The write-down will not materially affect the Balance Sheet as it is equivalent to about 1.3% of the total assets of APSEZ.
Our focus is the safety of our employees working on the Myanmar project; no further payments have been made to MEC; we have been following guidelines advised by the Indian embassy; we have been transparent in disclosing our view and the status of the Myanmar project. The Company is committed to the global cause of ensuring that the rights of none are violated. The Company will take necessary action following guidance from OFAC.

</td></tr>
</table>

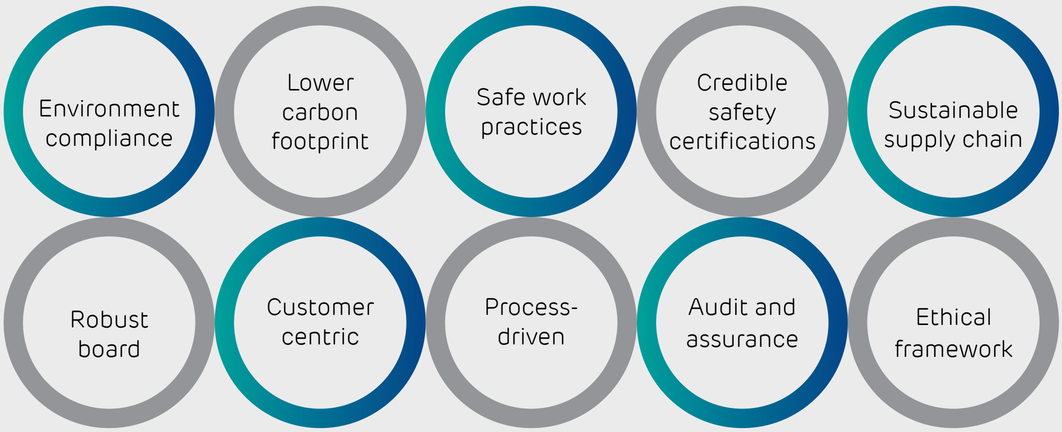
Case	Status	Actions Proposed / Taken
Carmichael Mine expansion project	Closed	▪ The Carmichael Project is not owned or operated by APSEZ. It is owned and operated by Adani Mining Pty Ltd. and trading as Bravus Mining and Resources owned by Adani Enterprises Limited, which is listed on the BSE (formerly Bombay stock exchange).
Divestment of Bowen Rail Company Pty Limited (BRCPL) owing to APSEZ's Carbon Neutral Commitment	Closed	▪ BRCPL was incorporated in December 2019 with the parent entity being Bowen Rail Operation Pte. Ltd. in Singapore. The principal activity of this entity is providing rail logistics services in Australia. As a part of the annual ESG performance review by the Management for FY 2019-20 (under the aegis of the Sustainability & CSR Committee) it was decided that APSEZ will divest its investments in BRCPL to fulfil the Carbon Neutral Commitments. Accordingly, all contractual documentation and the regulatory approval process were initiated for the said divestment. APSEZ, during January 2021, formally communicated to investors and rating agencies regarding the divestment. S&P Global included in its press release (issued for January 2021 USD bond issuance) that APSEZ will divest BRCPL. In March 2021, APSEZ executed the Share Purchase Agreement with Adani Global Pte. Limited (subsidiary of Adani Enterprises Limited) for the sale of investment in BRCPL. ▪ **The transaction is awaiting regulatory approval by Foreign Investment Review Board of Australia. In the interim, APSEZ will reflect the investment as 'held for sale' in its books of accounts.**
Protest by local NGOs and fisherfolk against the Kattupalli port expansion	Ongoing	▪ Considering the potential, Marine Infrastructure Developer Pvt. Ltd. (MIDPL) applied for its Revised Master Plan development of Kattupalli Port to MoEF & CC on 15.11.2018 for getting the Terms of Reference to carry out an EIA study and seek Environment & CRZ Clearance. ▪ Based on representations received by MoEF & 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 3 and June 04, 2019 and submitted their report. ▪ After a careful evaluation, EAC recommended ToR and the same was granted by MoEF & CC vide letter dated 15.10.2020. ▪ ToR, inclusive of additional studies in the wake of concern raised by various stakeholders and representations received, were also submitted to MIDPL to incorporate/ address as a part of the EIA report. ▪ Draft EIA is prepared and submitted to TNPCB for conducting Public Hearing (PH) as per EIA Notification. ▪ Public hearing for Kattupalli port expansion was scheduled on 22.01.2021; however as per communication received from District Collector in the wake of concerns associated with ongoing COVID-19, same has been postponed. **All developmental activities proposed will be carried out only after obtaining required permission from the concerned authorities.**

ENVIRONMENT-SOCIAL-GOVERNANCE

How APSEZ has built a credible ESG platform

The goal: To emerge as the world's largest port company by 2030

The platform



Overview

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 the right things, but to do them in the right ways as well, reinforcing our position as a responsible corporate citizen.

This commitment is as important as with time there is a premium on the need to enhance a comprehensive ESG compliance and commitment in the modern world. As a result, it is not important to merely be profitable but to be sustainably so as well. 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 objective is to enhance stakeholder trust. We believe that trust is the underlying element why customers select to patronise our port and logistic services, why employees work with us, why vendors sell to us, why investors provide us risk capital, why bankers lend and why communities support us. This trust has been reinforced through a number of priorities.

Sustainable value chain

Capitals	Activities	Outputs	Value Created	Contributing to SDGs
Natural Capital	▪ Carbon emission estimation ▪ Energy consumption ▪ Water consumption ▪ Accelerating renewable energy adoption ▪ Climate change scenario planning ▪ Mangrove afforestation	▪ Carbon emissions reduction and SBTi validated targets ▪ Energy conservation and efficiency improvement ▪ Water reduction ▪ Reduced or avoided use of conventional energy ▪ Vulnerability assessemnt and adaptation planning ▪ Biodiversity conservation	▪ Carbon Neutrality ▪ Green Port ▪ CEO Water Mandate ▪ Creation of renewable generation assets ▪ Resilient infrastructure ▪ Enhanced natural resource and livelihoods	

Capitals	Activities	Outputs	Value Created	Contributing to SDGs
Manufactured Capital	▪ Resilient infrastructure ▪ Waste recycling	▪ Improved recycling rates ▪ Waste reduction ▪ Cost savings	▪ Climate resilient infrastructure & assets ▪ 'Green' building	8 DECENT WORK AND ECONOMIC GROWTH 12
Social & Relationship Capital	▪ Supplier EHS assessment ▪ CSR activities	▪ Social License to operate	▪ Human Rights due diligence	1 NO PROVERTY 4 QUALITY EDUCATION 2 ZERO HUNGER 6 CLEAN WATER AND SANITATION 3 GOOD HEALTH AND WELL-BEING 17

Protecting The Environment

APSEZ promotes environmental management philosophy and principles while pursuing a diverse range of environmental initiatives to contribute to a sustainable future. We endeavour to address our ESG responsibilities holistically by mitigating risks and improving our environmental performance.

We developed a culture of promoting environmental stewardship, encompassing the consumption of finite natural resources and minimisation of pollution and ecosystem effects in the vicinity of our operational sites.

Our vision is to be a leader in businesses that enrich lives and contribute to nation building. We seek to become a world leader in the ports business by 2030. We encourage practices that improve the environmental and social impact of our operations. We not only prioritise long-term benefits of all stakeholders but also support business growth through the avoidance of environmental degradation.

Environmental Risk Management and Priorities

Climate change and biodiversity are part of our established Enterprise Risk Management framework. Our framework facilitates the systematic capture of quantifiable and non-quantifiable risks over small, medium or long time horizons. All business units are required to regularly monitor and update the risks register, including sustainability risks, each quarter and immediately report unanticipated risks.

Environmental risks are mapped considering different aspects - risks arising due to non-compliances with legal requirements, risks related to achieving sustainability targets, risks due to deviation from the Company's commitments. Accordingly, priorities are set out on an annual basis keeping the vision and commitments in mind. Based on the assessment in FY 2019-20, climate change, land use and marine biodiversity topped our list of most severe environmental risks, which could impact our reputation, market proposition and financial stability.

CLIMATE CHANGE AND ENERGY

Climate change

The transportation sector contributed 23% of the total global greenhouse gas emission. The transportation infrastructure sector is also responsible for a significant amount of GHG emission in embodied and operational forms. Due to the high carbon footprint of the marine sector, APSEZ is in a unique position to drive positive change by implementing strategies to mitigate, measure and report environmental impact. As India ramps its port-led development, while committing aggressively to mitigate the impacts of climate change, we are in a position to deepen decarbonisation.

Guided by our vision to become a 'green ports' Company, we signed the Science Based Targets initiative (SBTi) and committed to UNGC in 2020. We are in the process of setting a more ambitious carbon emission reduction target. APSEZ will strive to reduce carbon emissions, electrifying operations to enhance energy efficiency and accelerate its transition to renewable energy.

APSEZ is aligned to the TCFD recommendations on addressing and reporting on climate change. Amongst others, our three key steps in deepening alignment and enhancing an understanding of risk and opportunities are:

- Assessment of climate vulnerability of our infrastructure
- Development of adaptation plan to reduce the vulnerability
- Developing internal carbon pricing mechanism for our port operations

Three pillars of our Climate Strategy

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

Snapshot of key climate milestones

In recognition of APSEZ's climate strategy and carbon management, APSEZ received B- rating in 2020 CDP climate change and B in water security. These ratings validate our strategy towards a climate-resilient future. Our target is to become a green ports company, building on our pioneering efforts in environmental protection and climate action since 2015.

FY 2015-16

GHG Accounting (Scope 1 & 2) for 2 ports

FY 2016-17

Developed Sustainability Information Management System

GHG accounting (scope 1 & 2) for 6 ports

5.5 MW of RE Installation

FY 2017-18

GHG Accounting (Scope 1&2) for all Ports

Created GHG Baseline

7.9 MW of RE Installation

FY 2018-19

Maiden attempt for CDP - Climate Change

GHG accounting (Scope 1&2) for all Ports

7.9 MW of RE Installation

FY 2019-20

GHG accounting (Scope 1,2 & 3) for all ports and logistics

Validated GHG emission against ISO 14064

'C' in CDP Climate Change

19MW of RE Installation

FY 2020-21

Energy Emission Policy

"B" in CDP Climate Change

Committed to SBTi 1.5°C

Climate Change Vulnerability Assessment Study

20 MW of RE Installations

FY 2021-22

Set SBTi-validated target to reduce absolute scope 1, 2 and 3 emission

Internal Carbon Pricing

FY 2022-23

Energy Audit

Energy Benchmarking Study

Green Procurement Policy

FY 2023-24

Expanding Energy and Emission Policy to Suppliers, Customers and Employees

FY 2024-25

Carbon Neutral Company

Strategy to reduce our carbon footprint

- Leverage technologies to achieve operational efficiency
- Achieve 100% renewable energy transition
- Replace fuel use with electrification in our operations, wherever possible
- Strengthen supply chain engagement to lower carbon emissions
- Educate and influence the community to tackle location-wise impacts of climate change
- Offset unavoidable carbon emissions by creating carbon sinks through greenbelt development and mangrove afforestation

Assessment of climate-related infrastructure vulnerability

Recognising the financial implications and business risks of climate change, APSEZ conducted Climate Change Vulnerability Risk Assessment Study for the infrastructure related to its port operations. The study was aligned with IPCC and best practices for climate risk analysis considering RCP 4.5 scenarios with timeframe 2021-2050 and 2041-2070, as a means of testing strategic resilience against different plausible and science-based climate scenarios. This was the first climate change scenario planning study conducted by APSEZ.

The project was carried out in three phases using methodologies backed with extensive consultation with sectoral and academic experts and climate change simulation modelling agencies. The study employed a systematic approach to assess hotspots of exposure to climate risks, vulnerability and adaptation opportunities in APSEZ's selected ports.

Phase 1

Relative Vulnerability Assessment of 11 ports conducted using framework provided by IPCC, as follows:

- Determination of exposure and sensitivity of each port.
- Exposure analysis of climate variables such as temperature.
- Aggregation of variables to compute Climate Exposure Index.
- Sensitivity analysis of assets, workforce and location details.
- Aggregation of asset details for computing location based sensitivity.
- Preparation of a scorecard for each port highlighting its ranking in exposure and sensitivity indices.

Phase 2

- Identification & prioritisation of the 4 most vulnerable ports identified - Mundra, (Gujarat), Dhamra (Odisha), Hazira (Gujarat) and Krishnapatnam (Andhra Pradesh).
- Preparation of risk matrix for each port, capturing likelihood and consequence of a risk component on an asset category against a climate stressor, identifying currently perceived risk to climate change.
- Finalising risk based on the evaluation of existing adaptation measures and climate risks projected on assets.
- Scoring of risk as Low, Moderate, High or Very High (prioritised).

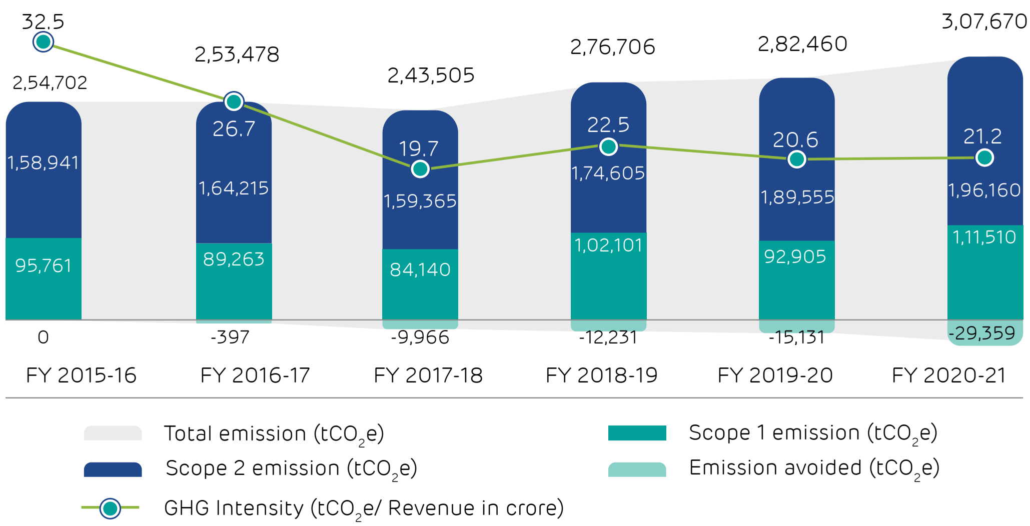
Phase 3

- Preparation of adaptation plans
- Identification of adaptation measures for climate stressors

Climate performance

Given the decline in cargo handling activities at our ports due to COVID-19, APSEZ achieved carbon emissions intensity reduction of 35% compared to the baseline year of FY 2015-16. Compared to FY 2019-20, absolute carbon emissions in FY 2020-21 were 3,07,670 tCO_2e, 9% higher as Krishnapatnam port was included in the reporting boundary. Historically for APSEZ, the largest source of emissions has been electricity use reported as scope 2 emissions in the charts. This frames our carbon mitigation strategy to focus on reducing scope 2 emissions by incorporating renewable power sources. We are focusing on reducing scope 1 emissions by electrifying our operations. In the reporting period, we avoided emissions of 29,359 tCO_2e through renewable energy installations. Emissions due to refrigerants used were around 2.2% of scope 1 emissions (i.e, 2,443 tCO_2e). 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. Details can be found under the 'Sustainable Supply Chain' section.

Total carbon emissions (Tonnes CO_2e)

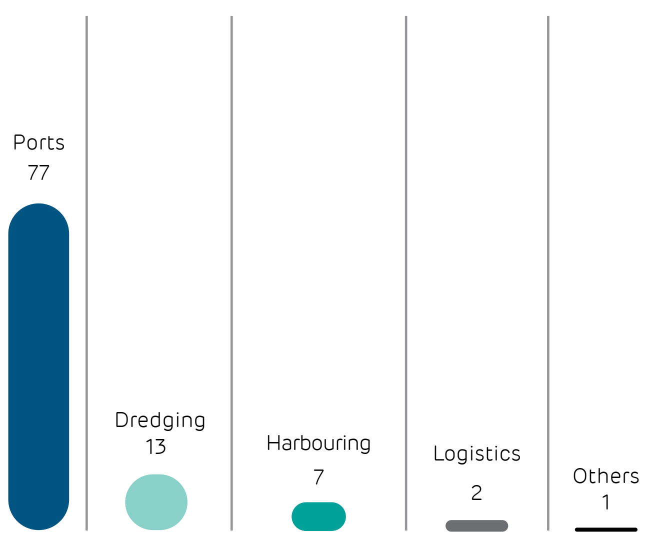


Note: In the past years, we observed few typographical errors in the emissions figures which have been rectified in this report. This year, Krishnapatnam port has been included in the reporting boundary.

*Scope 1 includes direct emissions from fuel used in port operations in equipment like cranes, excavators, dozers, reach stackers and fork lifts etc. and in allied activities like harbouring, dredging and in DG sets and Company vehicles.

• Scope 2 includes indirect emissions from purchased electricity consumed by the operational activities

BU-wise emission share (%)



Low carbon services

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.

ODS	Quantity kg
R-22	1068
R-407C	74
R-410	178.6
R-32	8

Indirect GHG scope 3 emissions performance (tCO_2e)

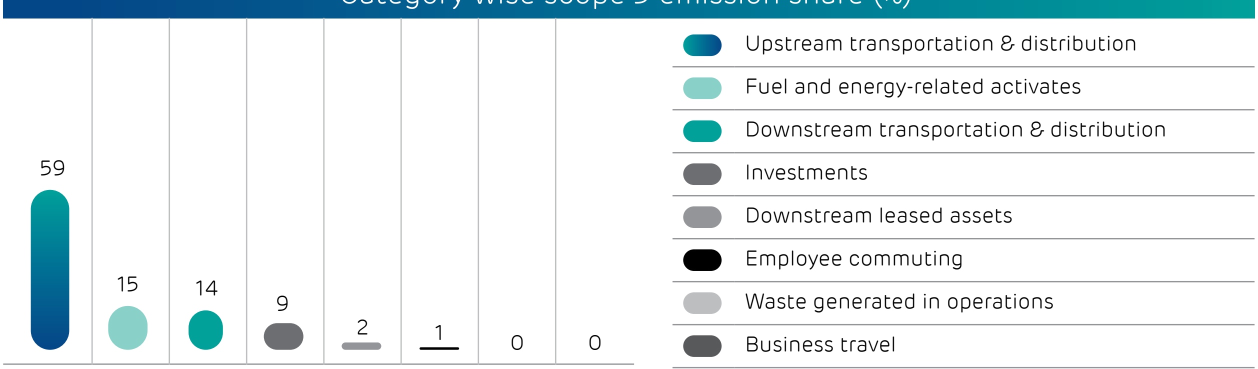
Categories	FY 2019-20	FY 2020-21
Fuel and energy-related activates	414	51,465
Upstream transportation & distribution	1,76,535	2,06,645
Waste generated in operations	96	58
Business travel	1,356	227
Employee commuting	2,709	2,626
Downstream transportation & distribution	–	47,212
Downstream leased assets	–	8,047
Investments	25,734	32,061
Total (Scope 3) emissions	2,06,843	3,48,341

Note: In FY 2019-20, the scope 3 emission under the investment category was not included, which has been included in the current year report. In FY 2020-21, downstream transportation and distribution as well as downstream leased asset categories were included with T&D loss-related emissions in fuel and the energy-related activities category.

Scope 3 includes emissions arising from fuel consumed by contract vehicles, fuel consumed by contract equipment, fuel consumed by admin 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 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 3,48,341 tCO_2e.

Category wise scope 3 emission share (%)



Phases & energy management strategies	Benefits
Planning ▪ Environmental Impact Assessment to assess the extent of potential environmental impact due to the proposed project. ▪ Design the terminals based on the depth of sea, quality and area, keeping energy efficiency at the hindsight of design proposals.	**Pre-empt potential cost escalations, environmental non-compliances** **Preparedness by developing management plans to prevent or minimise the potential impact** **Incorporating ESG aspects in the master planning**
Construction ▪ Use electricity directly from the power grid to reduce reliance on diesel generators for dredging, mooring, quay wall construction, breakwater etc. ▪ 'Green' buildings	**Reduce emission levels of carbon, sulphur oxides, nitrogen oxides and particulates**
Operation of assets ▪ Identify high energy consumption installations and their respective energy reduction opportunities ▪ Install sub-metering systems to provide data and identify energy management opportunities ▪ Generate on-site renewable energy, where possible, through the installation of panels	**Reduce electricity consumption and cost** **Enhance the monitoring and control of equipment used to reduce energy consumption** **Reduce reliance on fossil fuel to lower carbon emissions**

Energy reduction initiatives

APSEZ has taken measures to reduce energy use including process improvements and integration which may significantly reduce maintenance costs. The implementation of most new energy-saving initiatives was postponed in FY 2020-21 due to COVID-19. However, energy conservation initiatives undertaken across sites resulted in a saving of 2.3 MU electric energy and more than 1 million liters of diesel, which in turn, resulted in a saving of more than 4,700tCO_2e and net saving of 2,845 tCO_2e. Since 2018, we have been engaging with customers in protecting the environment, institutionalised through a pact signed with each party. We advocated for the split liability in case of any environmental damage/ impact that includes spills, energy overuse, waste disposal etc. As a part of the engagement, APSEZ initiated pilot services that enabled vessel owners to efficiently dispose their waste and use onshore power systems.

Energy saving approach

Fuel shift

Benchmarking & operational efficiency

Technology Adoption

Process changes and Idle energy reduction

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. For example, fully automated terminals can contribute towards optimisation of container flows, resulting in reduced energy consumption and lower costs, while the lifetime of the equipment is extended, allowing for a better preservation of resources.

At the Mundra port, we are rationalising truck arrivals that generate multiple benefits. Besides reducing the idle time of trucks waiting outside the terminal's gates, truck appointment systems maximise the utilisation of container yard equipment, reducing the turnaround time of trucks with associated energy savings.

Technology Adoption

The replacement of conventional lights with energy-efficient LEDs helped reduce energy consumption. In the last four years, more than 16,500 conventional lights were replaced with LEDs across sites, which resulted in reduction of more than 7.5 MU and more than 6,000 tCO_2e.

A few of our sites (Hazira, Dahej, MPT in Mundra) replaced 100% conventional lights with LEDs while sites like Tuna, CT4 and West Basin in Mundra replaced more than 90%. The remaining ports are aiming to achieve 100% LED transition.

An R&D project was carried out to reduce fuel consumption in tugs by deploying a renter catalyst in the main and auxiliary engines. From the study, we observed that fuel efficiency improved 3% following installation of the catalyst. Soon, we plan to implement this initiative across all our tugs.

Process changes and Idle energy reduction

Across all sites, engineering teams continuously monitors activity wise energy consumption and taking actions to reduce idle working hours (and idle energy).

In FY 2020-21 at the Hazira site, in six STS cranes, the ES team observed that all air-conditioners were in working condition while cranes were idle. The team reduced the energy consumption during idling by using only one AC instead of four, which resulted in an annual saving of 1,61,200 kWh.

At our Dahej site, reduction in the idle working condition of a jockey pump and other operational equipment resulted in a saving of 4,54,097 kWh and 24kL of diesel by reducing the idling of sweeping equipment.

Benchmarking and energy efficiency

In FY 2020-21 at the Hazira site, nitrogen was generated and used in liquid operations. Previously per m^3 nitrogen generation, 1.06 kWh was used. By benchmarking and continuously monitoring, this was reduced to 0.86 kWh/m^3, which resulted in a saving of more than 9.7 lakh units of electricity.

Fuel shift

One major fuel consuming activity across operations comprised RTGs. At sites like Mundra, Hazira and Kattupalli, most RTGs were converted to E-RTGs.

We recognised opportunities in electrifying terminal transport and stacking equipment (i.e., terminal tractors, cranes, reach stackers, straddle carriers, forklifts) in substantially reducing carbon emissions compared to terminal equipment for which a higher level of energy efficiency has been reached and improvement possibilities limited.

In addition, we piloted tug-boats that run on LNG supported by recharging stations. Though we are confident that switching to LNG tug boats can significantly reduce fuel and carbon emission, the system is capital-intensive, requires space for storage of batteries and has a slower response time for going from zero power to full power. We are keen to adopt e-tugs or dual fuel tugs once the technology is implemented.

Nautical

Anchoring and dredging

Tug boat hybridisation and alternative fuels—LNG

VFD motors in dredgers

Sea-side

Berthing loading/ unloading

Automation of relevant terminal equipment

System established onshore providing electric power to tug boats and dredgers during berth to support their activities, replacing the use of auxiliary engines

Intra-terminal

Cargo handling, transport and stacking

Truck appointment system

Full electrification terminal transport and stacking equipment

Energy efficient port buildings (warehouse office)

Monitoring of the energy consumption of port equipment, buildings and other facilities for supporting decision-making and the implementation of energy conservation measures

Solar panels/wind turbines installed in different areas of the port (e.g., often in rooftops of buildings and warehouses) for generating renewable energy and covering energy needs of the port

Land-side

Port access and warehousing

Integrated logistics networks through air, train and road

Roof top solar installation on warehouses

Inland waterways

Accelerating renewables adoption

The adoption of renewable energy is an integral strategic decision in our attempt to decarbonise our operations and mitigate impacts of transition risks. Renewable energy consumed by APSEZ attributes to 15% of grid energy and 5.3% of total energy consumed by our operations in FY 2020-21. At the beginning of FY 2015-16, our renewable portfolio was nil, which expanded to 20MW and procuring 15MW of wind energy through PPA at the Krishnapatnam port. We invested more than ₹100 crore in renewable energy installations, reducing emissions up to 29,359 tCO_2e in FY 2020-21 and 67,094 tCO_2e over the years. APSEZ expects 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 is our strategy to achieve our climate change commitment. As the Government's policy amendments come into force, we anticipate a reduction in costs, which would make our investments cost-effective.

Energy performance

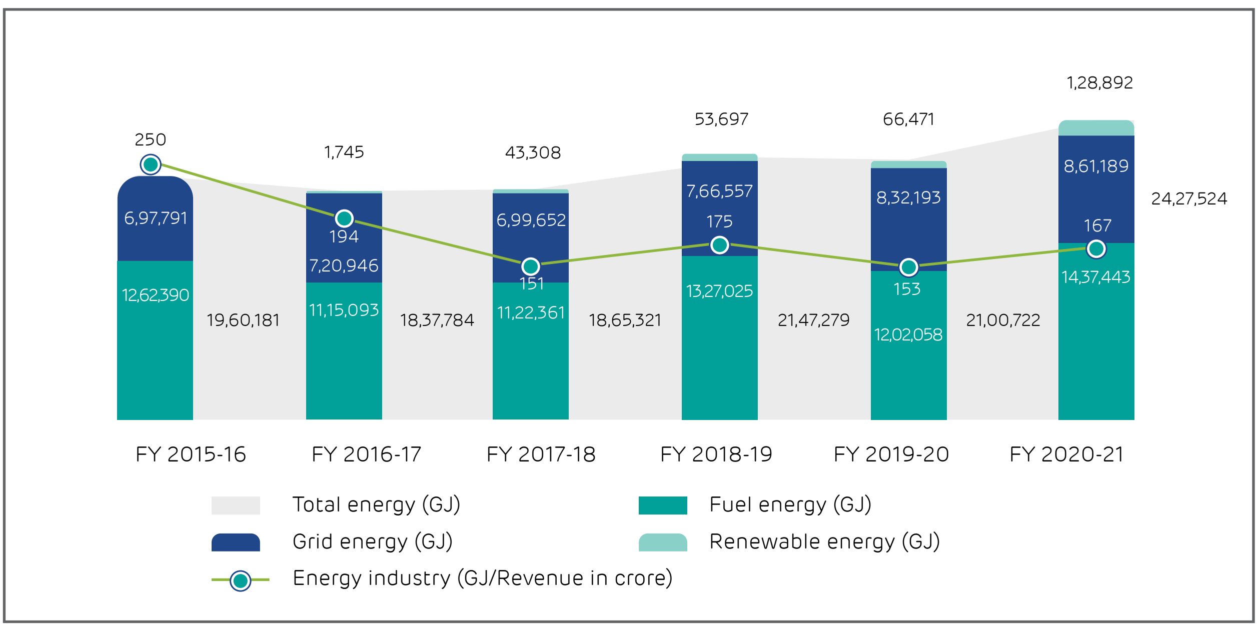
As a part of our environment and energy management systems, APSEZ has been tracking and reporting environmental performance against energy targets since 2016. We regularly review energy reduction and efficiency plans across all our operations and introduce initiatives where improvement has been identified.

In FY 2020-21, the total energy consumed was 24,27,524 GJ, which is 16% more than FY 2019-20 as the Krishnapatnam port was included in the reporting boundary. Our current targets aim to reduce energy use intensity by 50% from 2016 levels by 2025. We are on track to achieve our target, with 33% reduction. In FY 2020-21, the energy intensity of our operations was 167 GJ/revenue in crores.

5

Renewables as a % of the total energy consumption

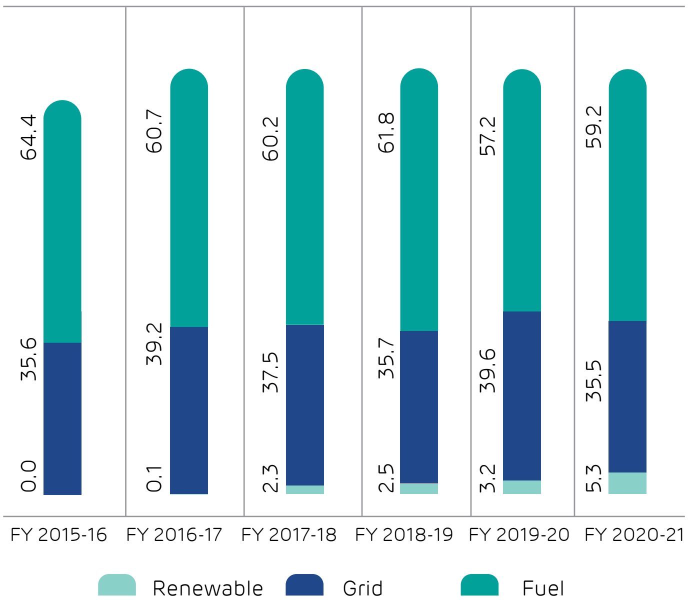
Energy performance



Note: In the past years, we observed few typographical errors in the energy consumption figures which have been rectified in this report. This year, Krishnapatnam port has been included in the reporting boundary.

*Fuel comprises of petrol, LPG, PNG, HSD, FO, HFO, Acetylene and Jet kerosene

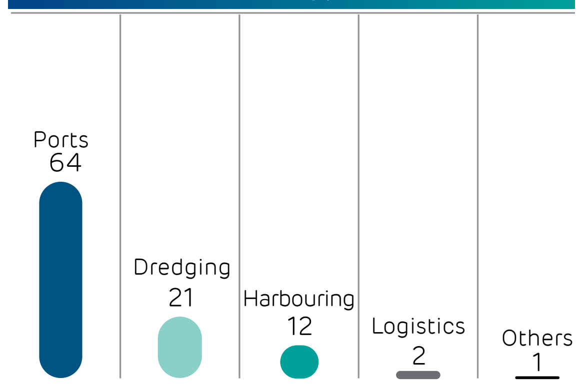
Energy mix (%)

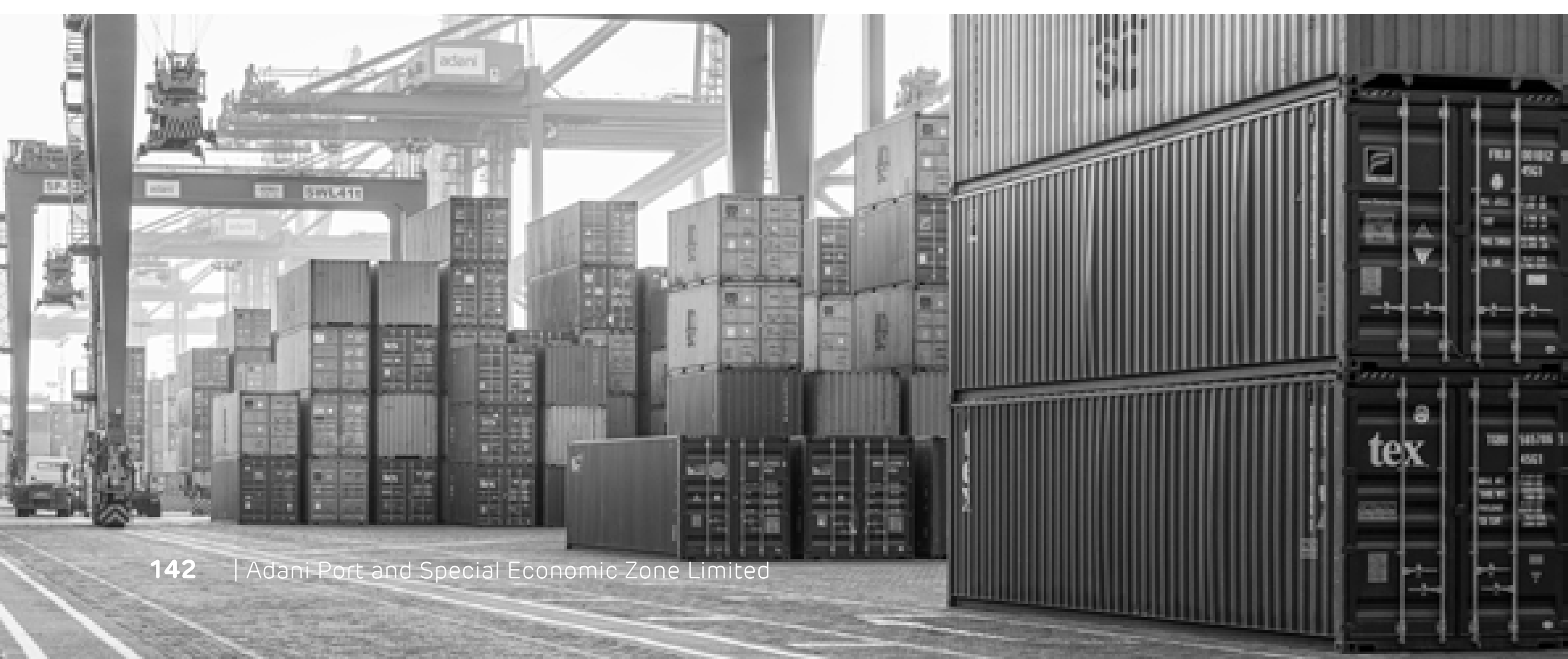


Type of fuel	Amount of fuel Consumed (GJ)
HSD	10,55,344
Petrol	1,791
FO	2
HFO	3,55,310
LPG	1,499
Acetylene	161
PNG	602
Jet kerosene	22,734
Total	14,37,442

The above-mentioned fuels are consumed in our port cargo handling operations at our ports, logistics sites, Karnavati Aviation (non-scheduled flights) and our 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.

BU-wise energy share (%)





Case study: GHG emission reduction through alternative fuel

Aligned to Sustainable Development Goals

Activity
Converting Rubber Tyre Gantry Cranes (RTG) from diesel mode to electrical power

Objective
To reduce GHG emission by conversion of entire RTG fleet to electric power

About the project

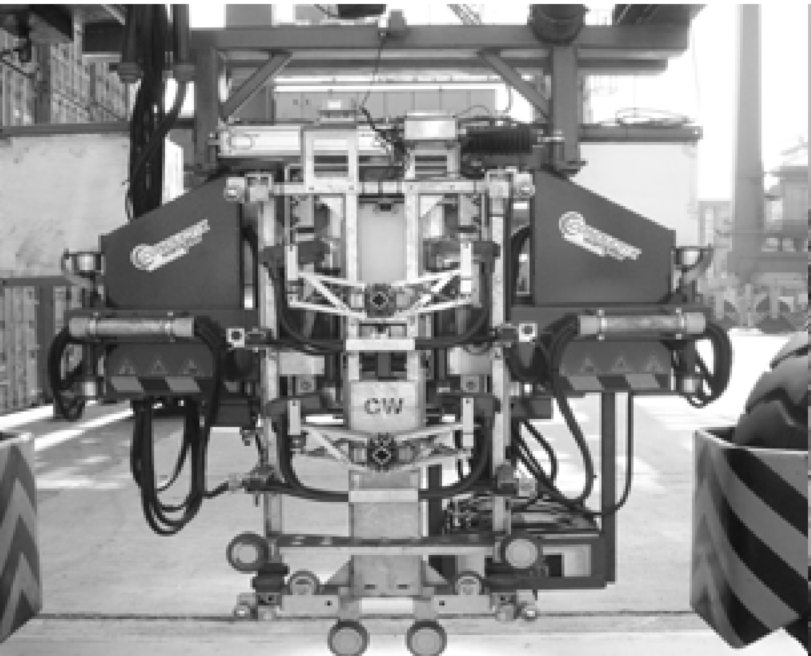
In container handling ports, RTGs are used to handle containers (movement and positioning) in yard locations. Traditionally, RTGs are equipped with DG sets that transform diesel fuel into electrical energy for powering RTG motors. Through innovative retrofit measures, these conventional RTGs were converted into an electric-RTG (e-RTG) by shutting the DG set and powering through electricity (sourced from the grid). This modification resulted in a reduction in diesel fuel consumption in RTG operations by 95%, as in the e-RTG fuel was used only to transfer RTG between blocks.

Methodology

DRTG to ERTG is our long-term energy efficiency plan. It was first implemented at the Mundra port and is implemented now across all our port locations. We internalise energy-efficiency measures and bring them to the mainstream of our operations. The activity was conceptualised by the engineering department. The RTG was retrofitted with a movable trolley with the existing collector brush. It also comprised a bus-bar system installed with fixed structures at the container yard and power supplied through a compact substation to bus-bars. This made it possible for the current collector trolley to automatically engage with the bus-bar and get power supply required for operations. In FY 2019-20, at Kattupalli port 15 RTGs were retrofitted.

Outcomes

The retrofitting cost was ₹44 crore at Kattupalli. It resulted in a saving of 1.5 litres of fuel per container. In FY 2020-21, for 7,80,322 containers moves, a saving of 28,440 GJ was achieved, which avoided 879 tCO_2e of scope 1 emission and saved almost ₹7 crore. This initiative contributed in reducing 17% of the total energy consumption.



Water strategy and performance

As per the World Resources Institute's Aqueduct Water Risk Atlas, India is among 17 countries facing 'extremely high' water stress and close to 'Day Zero' conditions when taps run dry. WRI ranked water stress, drought risk and riverine flood risk across 189 countries and their sub-national regions, like states and provinces. India ranked 13 on Aqueduct's list of 'extremely highly' water-stressed countries with states like Gujarat falling under an extremely high water risk score of 4.65 of 5.0. In this backdrop, the use of innovative strategies and technology appear critical in achieving water resilience by harnessing sea water, employing smarter water monitoring systems and utilising wastewater.

As local water administrators, municipalities are responsible for the collection, monitoring and distribution of water. In line to the Water Stewardship policy, In line with the Water Stewardship Policy, APSEZ takes a holistic approach towards water management to maintain and enhance the efficiency, resilience and long-term viability of assets. Responsible water management practices allow us to deliver value to customers, retaining the quality of cargo by ensuring availability of potable water and minimising health concerns associated with dust and lastly to the communities by allowing access to common resources.

APSEZ monitors water quality in operational sites to minimise the impact of port activities on sea water quality. Additionally, we treat our effluent streams and reuse the treated wastewater for dust suppression and horticulture activities. We adhere to a zero effluents discharge commitment. We train our employees to manage our STPs, ETPs and CETPs in addition to WASH compliance assessments.

As an endeavour to address conservation of water, we established sewage collection infrastructure where the untreated water is treated and used in cleaning purposes, dust suppression and moisture maintenance in coal. We adopted the best efforts in effectively reducing water consumption as a part of our water management plan with the establishment of a watershed management plant and rainwater harvesting in association with local communities. The development of community infrastructure like check dams, village ponds and borewells provide access to clean water as a resource, reducing water drawal.

APSEZ obtains potable water from the utility network through taps and uses it for drinking purposes. It collects surface and sea water for use in port maintenance activities. The majority of water consumed in our ports is used for dust suppression, moisture maintenance in coal, firefighting and cleaning tanks, workshops and vehicles.

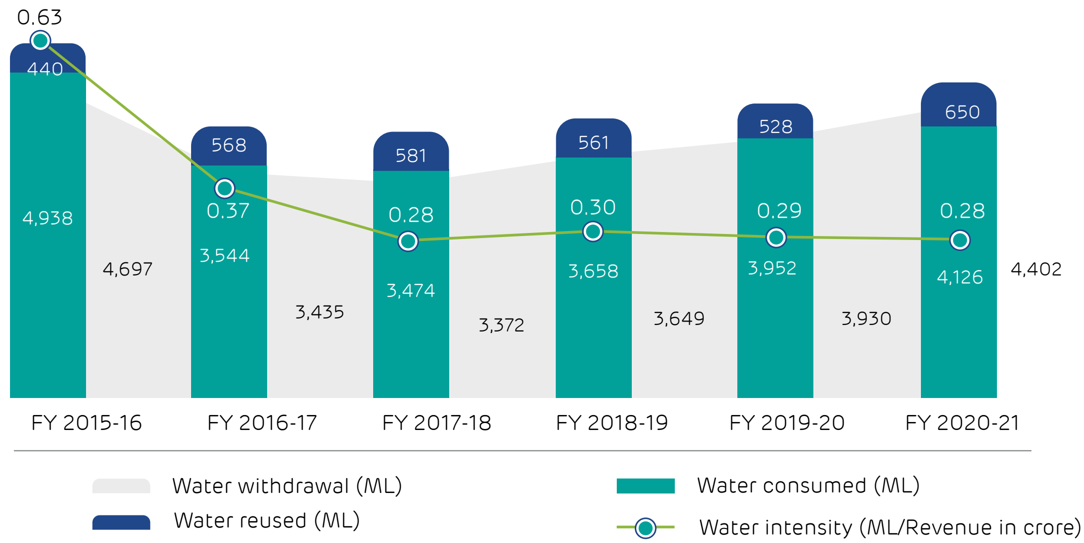
All potable water withdrawal comes from third-party water source supplied by municipalities or groundwater

All municipal supplies and groundwater water is categorised as freshwater with Total Dissolved Solids levels of ≤1,000 mg/L.

Our major focus

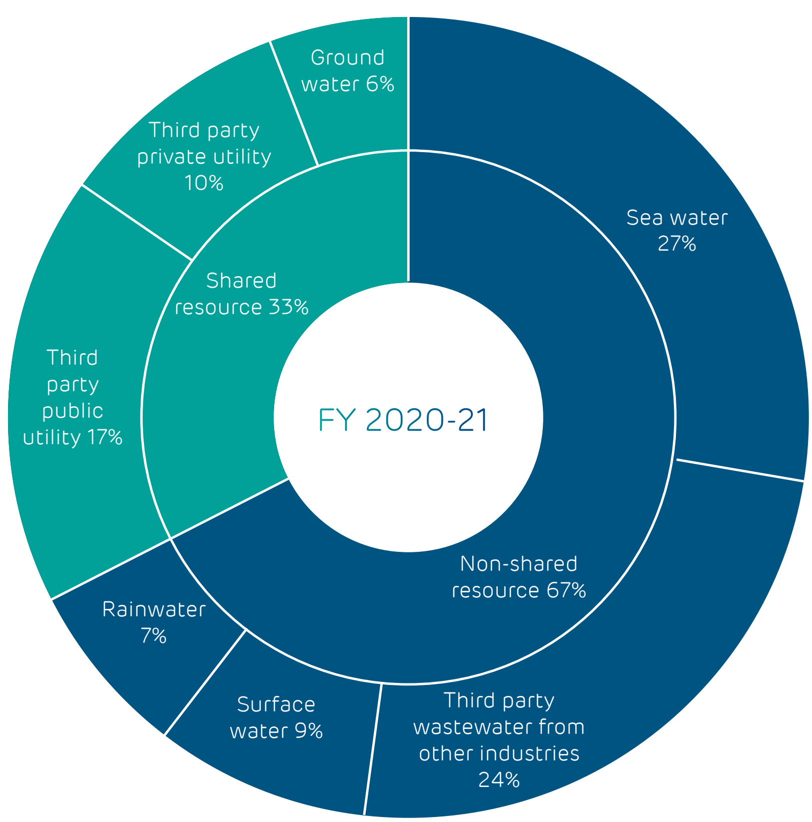
- Understand the water and sanitation challenges in the communities where we operate and how our businesses impact them.
- Enhance activities in the local community; encourage and support the local government, groups and initiatives seeking to advance the water and sanitation agenda.
- Undertake water-resource education and awareness campaigns in partnership with local stakeholders.
- Work with public authorities and their agents to support – when appropriate – the development of adequate water infrastructure, including water and sanitation delivery systems.
- Include a description of actions and investments undertaken in relation to The CEO Water Mandate in our annual 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 our water strategy (including targets, results and improvement areas) in relevant corporate reports, using water indicators found in GRI guidelines.
- Enhance transparency in dealings with governments and other public authorities on water-related issues.

Water performance



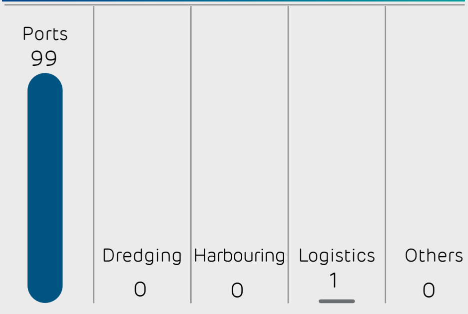
Note: In FY 2020-21, rainwater harvested was included in water withdrawal. The Krishnapatnam port was included in the reporting boundary.

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.

Bu Wise Water Consumption Share (%)



- APSEZ focuses on the effective management of water abstraction, usage and discharge across every port location and during all lifecycle stages. The environment team, along with representatives of engineering operations at each site, are responsible for executing the strategy and monitoring the performance. Ports such as Dahej, Hazira and Mundra, which lie in high water stressed regions, strategically use treated wastewater of other industries to minimise a dependence on local sources.

Phases and water management strategies	Benefits
Planning ▪ Environmental Impact Assessment to assess the extent of potential impact on water sources due to the proposed project	**Pre-empt potential cost escalations, environmental non-compliances** Preparedness by developing management plan to prevent or minimise the potential impact incorporating ESG aspects in master planning
Construction ▪ Regular monitoring and assessment of water use, and discharge during construction ▪ Regular monitoring of sea water & sediment quality including turbidity, contamination and TDS ▪ Implementation of environmental management plan (EMP) ▪ Installing water treatment system ▪ Rainwater harvesting	**Reduce water use** Retain and control water runoff; to reduce impurities discharged into water systems
Operation of assets ▪ Increase dependence on non-freshwater resources ▪ Recovery of water through desalination plant ▪ Installation of water meters at source ▪ Installation of water efficient technologies such as drip irrigation, rainwater harvesting ▪ Use waste-water from other different sources for operations that do not require potable water	**Reduce freshwater use** Reduce water use Reuse of treated wastewater Cost saving

Water conservation initiatives

APSEZ audits its water management process annually. Monthly water consumption by our key business units is tracked to detect spikes in water use. To reduce its reliance on freshwater, APSEZ uses wastewater from various sources for operational activities that do not require potable water. Localised water strategies are adopted, and the site's water management plan is built around reducing a reliance on freshwater and reducing water use.

At our various sites, sourcing of treated wastewater from industry is also being explored in addition to conventional source. Rainwater harvesting measures are being installed at the sites to mitigate the risk of water availability.

Recognising that water conservation is a shared responsibility, APSEZ engages with suppliers and vendors through meetings and quarterly reviews. These initiatives aim to promote water conservation practices that complement APSEZ's water management strategy.

Best practices in FY 2020-21

Practice	Site	Benefit
Use of wastewater from other industries & sources	Mundra	Use of 261ML of wastewater equivalent to 15% of the total water used
	Hazira	More than 80% (628 ML) of water requirement were met through treated wastewater of KRIBHCO
Desalination of sea water	Mundra	More than 70% (1159 ML) of water requirement were fulfilled by desalinated sea water
Rainwater harvesting	Dhamra	306 ML of rainwater was harvested and used
	Kattupalli	3.7ML of rainwater was harvested and used

Water performance

Recognising that holistic water management enhances the long-term resilience of our business, we implemented water conservation initiatives and tracked our water performance since 2016. APSEZ achieved the **"B"** rating in CDP water security in its first disclosure, an affirmation of APSEZ's progress towards institutionalising robust water management strategy.

Due to decreased activities caused by COVID-19, there was a significant fall in water intensity for our port operations in FY 2020-21 compared to FY 2019-20. Absolute water consumption increased by 4% in FY 2020-21 to 4,126 ML from 3,952 ML in in FY 2019-20 as Krishnapatnam port was included in the reporting boundary.

In FY 2020-21, APSEZ cumulatively withdrew 4,402 ML of water, 12% more than in the previous year. Nearly 67% of the water was sourced from non-shared sources out of which 41% comprised desalinated sea water. The fresh water (33%) withdrawal accounted for 1,432 ML, comprising water from municipal and groundwater sources.

The water consumption per revenue (in ₹ crore) consistently reduced by 55% from the base year of 2016.

Initiatives related to water risk management

Management of water by source:

Effective conservation of water can only be achieved by better water management practices. Recognising this fact, the most important developmental activity is planning, development and management of existing resources for effective irrigation and sustainable production. To that end, we adopted desalination as a technique where excess salts can be removed from sea or brackish water, converting it into potable or usable water.

Water is a shared resource and finds competing uses by various users. The catchments from where we source water, fulfil the local community's needs for water, making them integral to our water risk assessments. We derive untreated wastewater from these communities into our sewage treatment plants, along with treated industrial wastewater to be used in operations like the cleaning of vehicles and tanks as well as dust suppression where water quality is not of a major concern. Quality water is only needed in critical operations and domestic use.

Rainwater harvesting

We practice rainwater harvesting in sites in which we operate, the preserved water used for dust suppression and horticulture. Additionally, rainwater harvesting contributes to groundwater recharge at a few of our sites.

Community watershed management

We hope to reduce water stress in local communities by providing drinking water and other essential water needs, building long-term community resilience to water stress through watershed management practices. We operate in water-stressed areas where the situation is expected to deteriorate. We are also involved in the construction of check dams, revival of village ponds and borewell recharge.

Case study: Use of treated wastewater at Hazira port

Aligned to U.N. Sustainable Development Goals

Activity
Stakeholder engagement and infrastructure development to consume treated effluents

Objective
To reduce freshwater footprint at Hazira port in a cost-effective manner

About the project

KRIBHCO, a fertiliser company in Hazira, treats effluents and discharges into the sea. We signed an MOU with KRIBHCO to provide a minimum of 2000kL per day of treated wastewater to address our water requirements at the Hazira port, a symbiotic agreement between two parties, which resulted in a reduction of freshwater footprint in a cost-effective and environment-friendly manner.

Methodology

Other options for meeting water requirements were to obtain freshwater through private parties. This option was easier to implement but would have been detrimental to the environment whereas the procedure of bringing all stakeholders on board for availing treated wastewater was more tedious.

KRIBHCO's wastewater treatment plant is about 18km from our port location. To bring this treated wastewater to our facility, we commissioned a pipeline of 18km from the treatment facility to the port.

Outcomes

We made a capital expenditure of ₹1200 lakh but do not incur major operational costs except for the cost of water paid to KRIBHCO. This helped us withdraw quality water at a lower capex and opex compared to desalination while reducing pressure on freshwater resources. In FY 2020-21, 628 ML water was withdrawal from this source, which is 81% of the water requirements of Hazira.

Waste management strategy and performance

Marine pollution is one of the biggest threats to coastal ecosystems, partly from waste dumps in oceans and seas. These wastes include dredged materials, garbage and oily mixtures discharged from ships, wastes from cargo operations and discharges from municipal and waterfront industry activities.

By continuing to stay responsible, efficient and innovative, APSEZ is joining a growing wave of businesses shifting towards sustainable waste management systems. Waste collection and segregation systems were 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.

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.

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 are sent to authorised recyclers in line with E-Waste Management Rules, 2016 and Batteries Waste Management Rules, 2016.

The APSEZ philosophy is to choose the preferred option for sustainable end products disposal as per the waste management hierarchy i.e., minimisation, reuse/ recycling, co-processing, incineration, landfill particularly for hazardous waste management. APSEZ strives to make improvements in disposal methodologies from the least preferred to most preferred options (co-processing over incineration and re-use over recycling).

The APSEZ initiative of 'Zero Waste to Landfill' for non-hazardous waste is based on the 5 R's principle (Reduce, Reuse, Reprocess, Recycle and Recover) and achieved zero waste allocated to landfills across three sites. Bio-degradable waste is recycled and used as manure. Non-biodegradable waste such as paper, plastic, scrap etc. are sent to recyclers. Non-recyclable and non-recoverable dry waste (loose refused derived fuel) are sent to cement plants for co-processing. Cement plants utilise waste as alternative fuel after processing. STP sludge is used as soil conditioner/manure. As a part of the 5R's principle, APSEZ achieved its goal of single-use plastic-free port across nine sites.

In FY 2020-21, the Company disposed 768.6 MT of hazardous waste, 6,062.7 MT of non-hazardous waste, 28.8 MT of lead acid batteries waste, 5.4 MT of biomedical waste and 19.3 MT of e- waste. Additionally, 4,497 MT of metal scrap and 33 kL of used oil were sold for onward recycling.

APSEZ targets to reduce waste intensity by 30% (from 2016 levels) for our ports business. As a part of our holistic environment management system, we continually review our waste minimisation and recycling initiatives for all our operations. Each business unit maintains a receptacle and strives to become zero-waste:

- Zero Unauthorised Waste Disposal (ZUWD)
- Zero Waste to Landfill (ZWL)
- Zero Waste Incineration (ZWI)
- Zero Effluent Discharge (ZED)

Phases & waste management strategies	Benefits
Construction ▪ Regular monitoring and assessment of waste debris disposal during construction	Retain and control waste discharge to minimise marine contamination risk; manage reclamation debris to reduce impurities discharged into water systems
Operation of assets ▪ Disposal of wastes through authorised third-party dealers ▪ Promotion of waste management hierarchy from water-front to gate ▪ Providing waste reception facilities for the incoming vessels at a nominal service cost ▪ Waste management following 5R principles	Minimise impacts on land, water and air Improving hygiene condition.

Waste management initiatives

Zero waste to landfill:
The Zero Waste to Landfill (ZWL) goal covers the prevention of waste material being disposed in landfills. This offers sustainable resourcing for future generations. When waste materials are sent to landfills, material values and embodied energy are lost, a loss to the organisation and the economy at large. To minimise this loss, APSEZ has embarked on an ambitious ZWL goal that implies that no material of value or embodied energy be landfilled. This ZWL pursuit helps recover values that would otherwise be lost to the value chain and also help reduce greenhouse gas emissions from landfills. Three sites, namely Mundra, Kattupalli and Ennore, were certified ZWL by TUV, Rheiland.

Single-use plastics:
Single-use plastics, including straws, wrappers, disposables and crockery item, were banned across all operational ports since 2021, including the SEZ at Mundra. To eliminate these items, APSEZ provided all employees with alternative solutions in port offices and facilities. 9 port locations were certified SUP-free as per CII Plastic use Protocol.

BIOGAS PLANT

Biogas production is an established technology for utilising organic waste. The biogas plants set up in Mundra and Kattupalli serve as a foundation of our circular economy commitment, focusing on nutrient recycling and reducing greenhouse gas emissions.

Ports location: Mundra and Kattupalli

Biogas plant

Total capacity (m^3/Day)	96
Total processed food waste in FY 2020-21 (MT)	180
Total generated LPG in FY 2020-21 (m^3)	647

Vermicomposting

Vermicomposting 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 wastes, such as processed food waste and horticultural litter, into organic manure.

Ports location: Dahej

Vermi-composting

Total capacity (MT/Year)	120
Total generated manure in FY 2020-21 (MT)	153 (Vermi-composting 120MT and remaining organic waste converted in to green manure)

Organic waste converter

Organic waste converters are machines that turn organic waste into valuable compost that can be used in organic farming. We employed organic waste converters at three port sites for converting the organic waste produced into green manure.

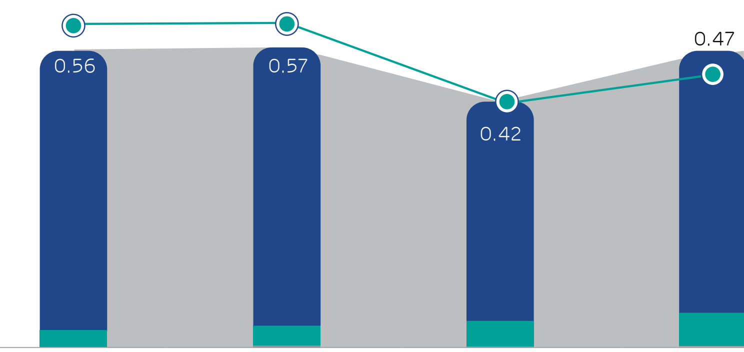
Ports location: Tuna, Dhamra, Goa, Mundra and Hazira

Organic waste converter

Total capacity (MTD)	1.8
Total processed organic waste in FY 2020-21 (MT)	830
Total generated manure in FY 2020-21 (MT)	229

- The digitisation of our communications, making all reports / publications available online to reduce the need for print copies
- Replacing all single use plastic items from offices
- Encouraging employees through newsletters and initiatives to refrain from waste generation and promote recycling

Waste disposal

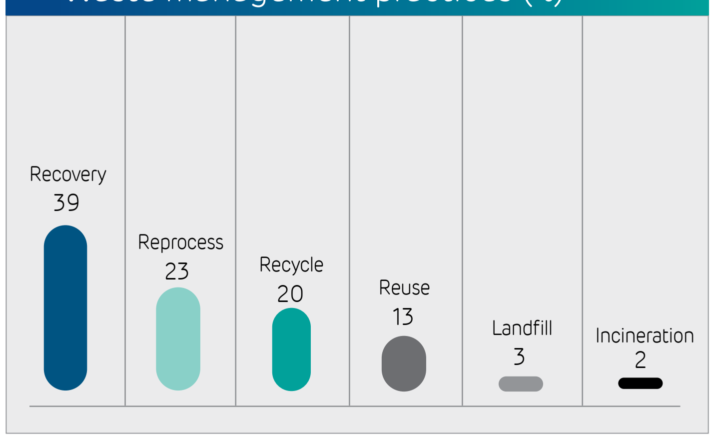


	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Total	6919	6960	5718	6885
Non Hazardous waste (MT)	6492	6030	5069	6063
Hazardous waste (MT)	412	491	621	769
Battery (MT)	11	34	19	29
Bio-medical waste (MT)	0	1	5	5
E-Waste (MT)	3	4	5	19
Waste intensity (MT/Revenue in crore)	0.56	0.57	0.42	0.47

Waste performance

In FY 2020-21, total waste disposal increased 20% over FY 2019-20. 95% waste was handled using the 5R principles, with 13%, 23%, 20% and 39% of waste being reused, reprocessed, recycled and recovered respectively. Some 2% of the total waste was incinerated and 3% of the waste was sent for landfilling. The performance was impacted due to the incorporation of the newly acquired Krishnapatnam port. We will implement APSEZ's best practices of waste management at Krishnapatnam and other acquired ports.

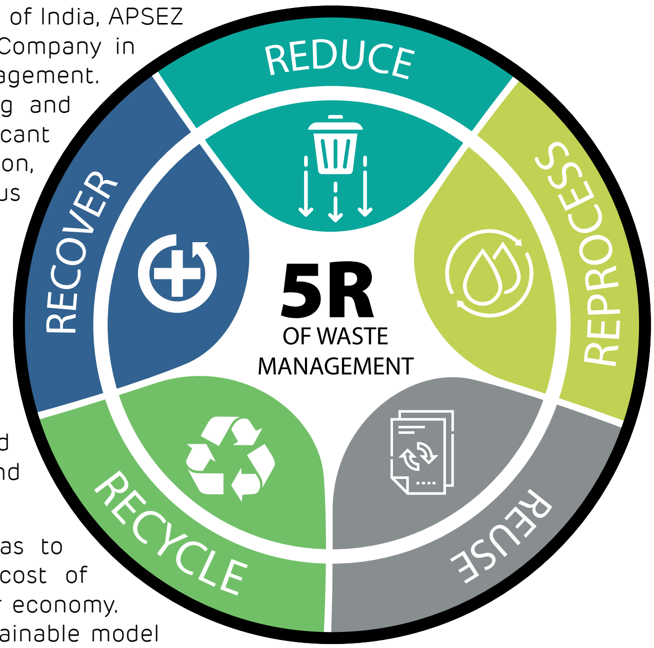
Waste management practices (%)



Case study: Environment pollution control and zero waste to landfill

Aligned to Sustainable Development Goals

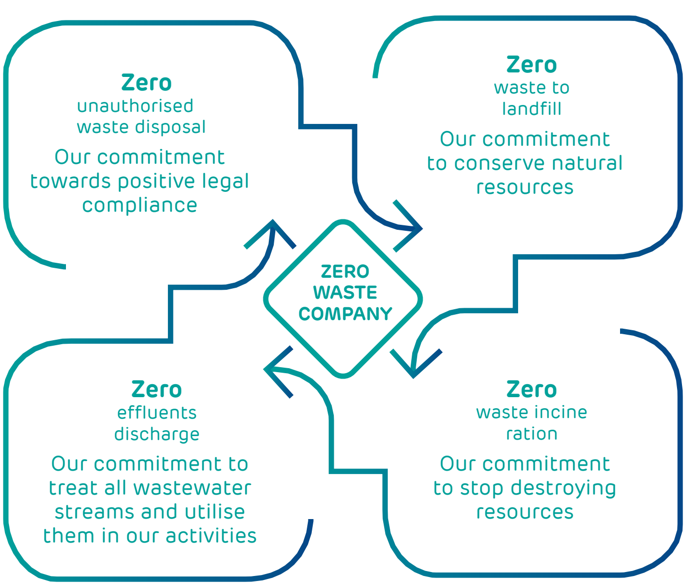
Vision Zero Waste: Enabling a circular economy at Mundra



In line to the Clean India Mission of the Government of India, APSEZ developed a vision of emerging as a zero waste Company in 2014 by adopting the 5R principles of waste management. APSEZ developed SOPs for the scientific handling and management of each type of waste and made significant progress though systematic inventorisation, segregation, collection, treatment, storage and disposal of hazardous and non-hazardous wastes.

It is our target to reduce waste generation and send zero waste to landfills through increased reuse, recycle, reprocess and recovery of waste. In FY 2018-19, 5718 MT of waste was disposed. In FY 2020-21, this declined to 2610 MT and in FY 2020-21 declined to 2042 MT. In FY 2019-20, we developed an integrated approach for a circular economy-based model of environment conservation with economic and social wellbeing.

While undertaking this exercise, our approach was to achieve economic wellbeing by minimising the cost of waste management, waste to wealth and a circular economy. Simultaneously, on the social dimension, a self-sustainable model with local vendor development and local employment was undertaken, which resulted in livelihoods support. To achieve this, a state-of-the-art waste management facility was developed. To make the initiative inclusive, the facility took waste from other industries and visiting ships. This initiative, implemented in Mundra, that enabled us to achieve a Zero Waste to Landfill certificate for our Mundra operations for three consecutive years. This initiative will be implemented across all APSEZ ports by 2025.



Land, water and biodiversity-related impact management

Our operations of port construction, development and management, including storage and logistics, may have negative impacts on biodiversity and land use. While these impacts cannot be avoided, they can be minimised to prevent loss of marine and coastal ecology. The major source of these adverse effects depend on the location and nature of operations – varying from degradation, contamination fragmentation to loss of ecosystems and their services during construction and operational phase. Further, successive coastal urbanisation may lead to an imbalance in intertidal and shallow habitats leading to negative impacts on life below water.

Our goal is to minimise the severity and magnitude of these impacts. As major infrastructure developers, we are required to apply for permits for all proposed physical activities. Through our Environmental Impact Assessment process, we view project management from a lifecycle perspective to determine potential environmental impacts. We consider the following environmental components as 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, archaeological, physical and cultural heritage resources, current use of lands and resources for traditional purposes, and accidents and malfunctions. We do not authorise or allow a proposed project to proceed if it is likely to result in significant adverse environmental effects. If a project is approved, the permit includes conditions designed to avoid or mitigate potential impacts whose reporting is done half-yearly to the relevant authorities. Results of our FY 2020-21 permits and compliances can be obtained from the website www.adaniports.com

Prevention of spills

Spills of oils, lubricants, fuels and other oily liquids that happen during anchoring, berthing and cargo handling may be sources of water pollution. Once an oil or oily compound is discharged into water, it impacts the marine ecosystem negatively sometimes to an extent of endangering the species. Conscious of the irreversible environmental damage that a spill accident can cause and the ensuing legal penalties, our aim is to prevent any kind of spill related disasters at all costs. We have designed our systems including facilities supplied by third parties to meet the highest international pollution prevention design and operation standards. We have institutionalised Oil Spill Action plan at five ports which is in accordance with the National Oil Spill Disaster Contingency Plan (NOS-DCP), International Petroleum Industry Environmental Conservation Association.

As an extended responsibility of ensuring that no spills happen even if it is not in direct control and management of operations, we make the spill management of vessels as an important criterion for doing business. Due to constant efforts by our team and the implementation of SOPs, we are happy to disclose that there were no incident of spillage reported during the reporting year.

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 case of minor injuries
- Periodic inspection to identify potential spills including maintenance and replacement of the existing container
- Adopting a safe working procedure during handling and operations

Biodiversity conservation

APSEZ is positioned at the leading edge of environmental stewardship. Our Company is cognisant of the fact that disturbance from construction activities, dredging and berthing may displace fishery resources and other mobile bottom biota. While the impacts cannot be avoided, their severity can be minimised. By conducting materiality assessment, biodiversity and land use have been identified as critical material topics by the company to be addressed in the medium-term.

Overlooking these environmental facets as inevitable, we signed a CII-backed IBBI initiative that serves as our commitment to act against all possible forms of marine and terrestrial biodiversity degradation. As a signatory, biodiversity protection is addressed as a priority. The Sustainability & CSR Committee reviews progress and compliance around the IBBI framework. We conducted a systemic identification of biodiversity priority areas beyond the Company's activities and are in the process of developing biodiversity management plans through prioritisation based on the highest net biodiversity value.

In compliance with regulatory requirements, for all the greenfield projects and expansion/ amendment projects, APSEZ conducts detailed biodiversity assessment studies covering terrestrial and marine ecosystems to identify probable impacts and prepare plans to mitigate those impacts. All the studies are conducted by reputed authorised institutes comprising ecology and biodiversity experts like GUIDE - Gujarat, CAMB - Chennai, SDMRI - Chennai and NIO - Goa. The studies have been conducted across all ports.

At APSEZ, Natural Capital Action Plan (NCAP) has been 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 has been identified and categorised in high, medium and low impacts. It is proposed to carry out a similar exercise at the other nine ports including Vizhinjam and Krishnapatnam, for the development of NCAP in a phased manner.

For promoting education and building awareness, specifically on biodiversity, APSEZ conducts training programs through reputed institutes like NEERI and IUCN - Leaders for Nature. Our biannual leadership program Shikhar converges environment professionals across sites to enhance their knowledge on topics related to environment and sustainability covering Indian and global biodiversity standards, legal requirements, biodiversity impact assessment and management plans. Field visits are conducted to draw on best practices followed by organisations.

APSEZ has developed an Environmental Policy, which covers biodiversity. In addition to this, Environmental and Social Management system (ESMS) has been developed as per IFC Performance Standards and The Equator Principles. This covers biodiversity and promotes sustainable management practices during construction, operation and decommissioning activities. ESMS promotes reasonable measures to eliminate or minimise 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.). ESMS guides to protect biodiversity and ecosystem services (including alteration and/or fragmentation

IBBI 10 Point Declaration

- Mapping biodiversity interfaces with business operations
- Enhancing awareness on biodiversity within the organisation
- Considering the impacts of business decisions on biodiversity
- Setting objectives and targets for biodiversity management
- Designating an individual within the organisation as biodiversity champion
- Assessing biodiversity risks and opportunities
- 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 eco-system services

of areas of high biodiversity value) within and in the periphery of APSEZ projects/sites. ESMS enhances environmental conservation through knowledge sharing across multi-stakeholder partnerships.

APSEZ afforested 2,939 hectares of mangroves along the Gujarat coast and acquired expertise in growing them with stakeholders from fishing communities to public and private institutions, especially the Gujarat Ecological Commission (GEC), Institute of Desert Ecology (GUIDE), Saline Area Vitalisation Enterprise (SAVE) and Gujarat Forest Department. Additionally, 50 hectares of mangroves have been afforested along the coast of Andhra Pradesh, increasing the total afforested area to 2,989 hectares. We are conserving 2,596 hectares of mangroves at Mundra, 9 hectares at Dhamra and 3.64 hectares at Krishnapatnam.

Conservation of Kanika Island

- Plantation in village-degraded forest patch
- Protection and conservation of nine hectares mangrove patch
- Exclusion of natural mangrove patch from the master plan
- Port location is outside the Eco-Sensitive Zone of Bhitarkanika National Park and Gahirmatha Marine Sanctuary
- Preference to local species during plantation
- Demarcation of the Gahirmatha Marine Sanctuary by buoys

We took steps to protect our terrestrial ecosystem, planting 17.15 lakh saplings across 965 hectares. We preserved 87+ species with terrestrial biodiversity. The Mundra coast, being highly saline, survival of plants was a challenge. We installed Israel's high-tech mechanised sprinkler and underground drip-irrigation system to deliver water directly to the roots to minimise water loss through evaporation. This system reduced irrigation water use by up to 80%. We utilised 650ML treated waste water at our facilities for horticulture and treated sludge of STP and other processed organic waste as manure.

Safeguard measures: Gangetic dolphins and other mammals

To improve navigation on National Waterways-1 (River Ganga) between Haldia and Allahabad, APSEZ is dredging to maintain the least available depth. This work excluded the area of Vikramshila Gangetic Dolphin Sanctuary. However, due to the presence of dolphins throughout the Ganga river, strict safeguard measures have been put in place.

The following precautionary measures are being followed:

As a precautionary measure, Dolphin deflectors/pingers have been provided with onboard dredgers to prevent injury/ mortality to dolphin. Pingers are devices that produce ultrasound to keep dolphins away from cutters. Pingers generates sound wave signals beyond 70 kHz known to be in the best hearing range of most dolphin species. Before the start of maintenance dredging operations, the Dolphin Pinger is inserted inside the water (approximately 0.5 m) and activated. The signal acts as an alarm and in some cases the pinger stimulates dolphins to use their echo-location, which alerts them about the presence of pingers. This sound wave is not audible to human beings, but it creates disturbance for dolphins and checks their approach.

Besides, maintenance dredging operations are halted in the case of sighting aquatic mammals.

Case study: Mangroves at Mundra

Aligned with Sustainable Development Goals

Objective
To protect and conserve the mangrove cover and its associated ecosystem to strengthen its natural defence mechanism against climate change.

About the project

APSEZ prepared a comprehensive and integrated plan for the 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), the reputed institute of Ministry of Environment, Forest & Climate Change (MoEF&CC).

Methodology

Data Collection > Mathematical Modelling > Understanding Impacts > Conservation Action Plan

- **Step 1** – Bathymetry survey of creeks
- **Step 2** – Topography survey of intertidal areas by procuring satellite images for analysis of mangrove cover
- **Step 3** – Mangrove survey (health and area demarcation)
- **Step 4** – Sampling of soil and water for analysis of physio-chemical and biological parameters
- **Step 5** – Tide and currents data collection (incl. residence time of tidal water)
- **Step 6** – Focus group discussions with the community in the close vicinity of the project area

Our Flourishing Progress

	Mangrove cover	Cargo handling
2019-20	2596 hectares	139.19 MMT
Approximately 2.5 years	+256 hectares	+25.55 MMT
2016-17	2340 hectares	113.64 MMT
Approximately 5 years	+246 hectares	+59.27 MMT
2011	2094 hectares	54.37 MMT

Outcomes

- No obstruction to any water stream (creeks / branches of creeks/ rivers)
- Mangrove cover in and around APSEZ is continuously increasing
- Mundra has undergone substantial infrastructure development during this period but this has not generated any adverse ecological impacts

Case study: Turtle nesting near Dhamra port

Aligned with Sustainable Development Goals

Sea turtles travelled the seas for 100 million years, a fundamental link in marine ecosystems that help maintain the health of sea grass beds and coral reefs that benefit commercially valuable species such as shrimp, lobster and tuna. The breeding season for the Olive Ridley sea turtle in Odisha extends from November to May during which mating, eggs-laying and hatching take place.

Nesting locations:

Devi Rookery: Devi Rookery was discovered in 1981 at the mouth of the River Devi, along the central Orissa coast. Following the discovery of this site, mass nesting was reported only twice and in recent years, only sporadic nesting occurs.

Rushikulya River mouth: The southern-most site along the Odisha coast, the Rushikulya rookery was discovered in 1994 and is around 5 kms of the beach located immediately north of the Rushikulya river mouth from Purunabandha to Kantiagada village. Rushikulya is situated in Chatrapur, Ganjam district of Odisha. Lakhs of endangered Olive Ridley turtles flocked to the Rushikulya river mouth for annual mass nesting.

Gahirmatha: Gahirmatha Marine Wildlife Sanctuary is located at the mouth of the River Maipura between the Dharma River and Paradeep on the eastern boundary of Bhitarkanika Wildlife Sanctuary along the northern Odisha coast. The total area of the sanctuary is 1435 km^2, which includes 1408 km^2 of water body and 27.0 km^2 of land mass, including reserve forests, mud flats and accreted sand bars. The core area of the sanctuary consists of 725.50 km^2 and the buffer zone accounts for 709.50 km^2. The Gahirmatha beach supports the natal nesting beach and largest known nesting beach of Olive Ridley sea turtles in the world. The south beach is the only nesting beach where the arribada (mass arrival) has been taking place since 2009.

Protection status: The Olive Ridley sea turtle has found place in Schedule - I of Indian Wildlife (Protection) Act, 1972 (amended 1991). All the species of sea turtles in the coastal water of Odisha are listed as 'vulnerable' as per IUCN Red Data Book. The sea turtles are protected under the 'Migratory Species Convention' and CITES (Convention of International Trade on Wildlife Flora and Fauna). India is a signatory nation to all these conventions. The 'homing' characteristics of the Ridley sea turtles make them more prone to mass casualty.

Turtle nesting at Gahirmatha

Year	Mother turtles	Year	Mother turtles	Year	Mother turtles	Year	Mother turtles
FY 76	1,58,000	FY 88*	-	FY 00	7,11,000	FY 12	1,68,000
FY 77	1,50,000	FY 89	3,00,000	FY 01	7,41,000	FY 13	4,06,000
FY 78	1,50,000	FY 90	2,00,000	FY 02*	-	FY 14	60,000
FY 79	1,33,000	FY 91	3,50,000	FY 03	73,000	FY 15	4,13,000
FY 80	2,18,000	FY 92	3,20,000	FY 04	2,43,000	FY 16	52,000
FY 81	1,91,000	FY 93	3,50,000	FY 05	2,34,000	FY 17	6,04,046
FY 82*	-	FY 94	350000	FY 06	267000	FY 18	684000
FY 83	2,00,000	FY 95	3,40,000	FY 07	1,46,000	FY 19	4,51,775
FY 84	3,00,000	FY 96	2,90,000	FY 08	-	FY 20	4,07,000
FY 85	2,80,000	FY 97*	-	FY 09	1,67,000	FY 21	3,49,694
FY 86	50,000	FY 98*	-	FY 10	3,57,000		
FY 87	3,86,000	FY 99	2,98,000	FY 11	4,72,000		

* Source - https://www.wildlife.odisha.gov.in/WebPortal/WildlifeCensus.aspx

Turtle nesting can be seen at two prominent locations; at Gahirmatha and at the Rushikulya river mouth. In the year when nesting did not happen at Gahirmatha, nesting was observed in Rashikulya river mouth.

Dr. H. R. Bustard, an international expert on turtle sand crocodile and their population ecology, said it is perfectly natural for Olive Ridley turtles to miss mass nesting."The word" failure 'for their' non-appearance' is a misnomer. We do not know why nesting does not occur every year, but this is not a cause for concern.' According to annual census figures of 38 years, there was no mass nesting at Gahirmatha in 1981-82, 1984-85, 1987-88, 1996-97, 1997-98 (two years in succession), 2001-02 and 2007-08.

Dr. Priyambada Mohanty Hejmadi, a renowned zoologist and a member of High-Powered Committee, in a fitting rebuff to all those who raise concerns over Olive Ridley protection measures and hurl accusations against the State government for not taking adequate steps during the nesting and hatching season, said the Ridleys have snubbed such people by turning out in large numbers.


GROUP'S ODISHA SITE HAS MEGA POPULATION OF OLIVE RIDLEYS

Conservation policy out, Adani's turtle-saving plan takes shape

Maulik Pathak
@timesgroup.com

Ahmedabad: India has for the first time devised a dedicated action plan for the protection and conservation of marine turtles. The new policy was recently announced by Prakash Javadekar, the Union minister for environment, forest and climate change.

The country is a signatory to the Indian Ocean Sea Turtle Agreement (IOSEA) of the Convention on Migratory Species (CMS), a United Nations-backed initiative. India follows the conservation and management action plan that is jointly developed by more than two dozen countries which have signed the IOSEA agreement. The latest policy rollout represents India's step in its conservation push.

"The main objective of the policy is to secure the turtle nesting habitats in the country and rope in the local communities for their safeguard," said K Sivakumar, a scientist with the Wildlife Institute of India that has been involved in preparing the policy framework. "We have identified some nesting sites and have chalked out a management plan for their conserva- [illegible] "They can, in fact, help in boost economy of coastal regions."

Ahmedabad-based Adani Group has signed an agreement with France's Total Group for the development of 5 million metric tonnes per annum LNG capacity at Dhamra port in [illegible] les appear to be tilting the balance in favour of these wondrous creatures," said Gautam Adani, the chairman of Adani Group. "The Government of Odisha and the leadership of CM Naveen Patnaik must be complimented. The olive ridley mothers ha- [illegible] heads from harming any turtles.

The group chairman said that today the company rigorously adheres to a 24-hour monitoring cycle by placing observers on dredgers and by altering the dredger and vessel routes to

Dhamra port and stakeholder alignments

- The Chief Secretary of Odisha chairs a High Powered Committee annual review meeting that is attended by Principal Secretary Forest & Environment, Principal Chief Conservator of Forest, Chief Wildlife Warden, Head Coast Guard Odisha Zone and Dhamra port, a part of the comprehensive high level strategy initiative for the protection of the endangered Olive Ridley species.
- Awareness and conservation programmes for the local residents.
- Offshore patrolling by different law enforcing agencies like coast guards of Indian Navy, Defense and Customs department of the central and state governments. Regular surveys are conducted to assess the number of nesting, dead turtles and to monitor the threats to the population.
- Illumination of lights near the nesting beach has been stopped or reduced. Use of TED (turtle excluder device) during fishing and trawling operations are used. There is a ban on fishing and trawler movements near the shore during the nesting season.
- The Dhamra port submitted a proposal for establishing Olive Ridley Turtle & Estuarine Crocodile Research Center at Dhamra in partnership with Government of Odisha (GoO); the GoO is examining the proposal.

Turtle conservation measures

- The port area and its navigation channel are outside the turtle congregation area
- Compliant with IUCN recommendations - Lighting & Dredging protocol
- Specially designed 'dark sky friendly' lights in the port and township
- Glare not transmitted towards the sea and movement of turtles in their congregation area
- Collaborate with the government during mating, congregation, nesting and hatching
- Providing trawlers to the Forest Department for patrols
- Demarcated Gahirmatha Marine Sanctuary by buoys in 2014
- Committed to create a corpus of ₹30 crores

Zero effluents discharge

Oil-laden hazardous effluents have been identified for their detrimental impact on the ecosystem. Under the Environment Management Plan that ensures timely monitoring, measurement and incident investigation, we have a goal that no effluent leaves our premises treated or untreated. Adhering to our policy commitment, we established zero effluent discharge process at all our port locations. The system ensures that the effluent, which is treated at our indigenous treatment plants, is routed into the system and utilised for activities that do not need fresh water. Routinely, treated effluents with a TDS below <2100 mg/L are used for horticulture purposes and dust suppression at our dry cargo handling ports.

Air and noise management

Emissions from equipment deployment, vessels, cargo handling, storage and transportation could be sources of air and noise pollution. Dust from dry cargo is also a probable source of air pollution. The impact of air pollution could be damaging to the people and the coastal marine systems, if not competently managed. 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 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 the levels to the regulatory authorities.

The SOx and NOx generated from our DG sets were not quantitatively significant. At our Goa port, dust from handling dry cargo is a challenge due to Goa being a tourist destination. We installed high-rated dust suppressors and windshields to suppress dust blowing into the city. Following GSPCB guidelines, we implemented measures to contain air pollution beyond prescribed limits. Wind speed and direction are other challenges at the port for which we installed an instrument to measure wind velocity and direction. In months (March-May) when wind velocity is high (>25 km/hr), we take necessary measures to reduce dust dispersion by covering cargo with tarpaulin sheets. Similar practices were followed at the Kattupalli port.

Vessel berthing activities and cargo handling may create a problem of noise and vibration generated by equipment use, truck movements and similar sources. Measures against adverse effects of transmission of noise and vibration are limited by increasing turnaround times and installing noise containing devices in the equipment and distance from their sources. We manage noise through the adoption of relevant equipment, sound insulation and periodic maintenance of vehicles and equipment. To minimise noise from ships during berthing, we ensure the shutting of engine doors.

We are committed to identify noise-related impact, reduce noise levels, ambient monitoring and regularly report the levels to the regulatory authorities. Although noise pollution is not a priority concern as we are in remote locations, we make sure that it does not cause any harm to local residents and coastal ecosystems. Our permit for operating rail and road movements cover regular noise monitoring as a compliance requirement.

To access site wise information, please follow the link- www.adaniports.com

Environmental compliance

APSEZ recognises that a material breach of any law or regulation in the jurisdiction, where we operate, could result in irreversible reputational damage or lead to costly liabilities. Therefore, non-adherence to legislative and regulatory requirements is not a choice. We adhere to the highest standards of corporate governance practices with an approach towards prevention, accountability, engagement and continuous improvement.

We are aware of the dynamic nature of environmental regulations in the local jurisdiction as well in the jurisdictions of our customers, partners and suppliers. We ensure that our team monitors the expectations of stakeholders and implements necessary processes. While we do this, we are also faced with challenge of uncertainties related to environmental regulations, which can influence our decisions and strategies.

Our IT-enabled compliance management system comprises Legatrix that tracks all legal, statutory commitments and apprises the Chief Compliance Officer of any non-conformity. During FY 2020-21, there were no cases of non-compliance. There were no significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations at any of the locations during FY 2020-21. Environmental clearance permissions and disclosures, including the compliance reports and sustainability report, could be accessed at our website.

Compliance reports can be accessed at www.adaniports.com/downloads.

Case	Description
Challenging Environmental and Coastal Regulation Zone Clearance granted to Dahej Port, 2016	The EC and CRZ clearance granted to Adani Petronet Dahej Port Private Limited for phase - III development by MoEF&CC on October 14, 2016 was challenged in National Green Tribunal - Pune bench by The Conservation Action Trust (CAT), an environmental NGO. Matter is pending on account of all respondent parties not filing replies and non-availability/ constitution of the NGT, Pune bench. However, NGT has not put any hold on the construction activities and same are ongoing as per requirements. The matter is pending in the Court.
Claim for the presence of Sand dunes in Mundra Port project area, 2016	A Public Interest Litigation was filed before the Hon'ble Gujarat High Court by Mr. Pravinsingh Bhurubha Chauhan alleging, presence of sand dunes in the APSEZ project area which was dismissed by the Hon'ble Gujarat High Court. The petitioner then filed a special leave to appeal before the Hon'ble Supreme Court of India, challenging the Hon'ble Gujarat High Court's order. Sunita Narayan committee was appointed by the Hon'ble Supreme Court to study the area. Report was prepared by the Committee and submitted to Hon'ble Supreme Court. Based on the findings of the report, the subject land is not classified as Sand dune and therefore allegations are not correct. Matter is pending in the Court.
Allegation of mangrove destruction during the Mundra Port construction, 2011	The writ petition was filled by Kheti Vikas Seva Trust alleging mangrove destruction during Mundra Port construction in Gujarat High Court which was dismissed by the Court. The petitioner then filled the appeal in the Hon'ble Supreme Court against the Gujarat High Court's order which was again dismissed by the Hon'ble Supreme Court of India. However, an application was filed by the petitioner alleging non-compliance of an order of the Gujarat HC dated July, 2011 prohibiting the cutting of mangroves and other forests during the pendency of the petition without permission of the state forest and environment department. The matter is still pending.
Compliance of MoEF&CC's order with 10 direction by APSEZ Mundra, 2019	A Special Civil Application was filed by Jusab Kasam Manjaliya at the High Court of Gujarat to get the status towards implementation of MoEF&CC order dated 18 Sep, 2015 and the consequential measure taken towards protection and prevention of environment. As per the direction of Hon'ble Gujarat High Court, MoEF&CC, RO Bhopal conducted the site visit of Mundra Port and submitted the inspection report to the MoEF&CC. After that, no hearing has been conducted, hence the matter is pending in Court.

Case	Description
Protection of life and livelihood of fishermen of Vandi near Tuna Port, 2018	A Writ Petition was filed by Javed Hasan Manjothi pertaining to protection of life and livelihood of fishermen of Vandi, Tuna in Gujarat High Court. Earlier the notice was issued to only Chairman - GCZMA. Notice to AKBTPL was issued vide Court order dated February 06, 2020. The matter is still pending in Court.
Challenging the consent granted by the GSPCB to Mormugao Terminal for handling of coal, 2018	A Writ Petition was filed in the High Court Judicature of Bombay, Goa Bench by residents of Vasco along with NGOs against GSPCB and others, objecting to increase in handling limit of coal at Goa terminal and transportation of coal from Vasco city causing air pollution. The matter is pending in Court and no adverse order is passed. The project is in operation with valid consent to operate issued by Goa State Pollution Control Board and all environmental safe guards in place.
Selection of venue to conduct Public Hearing for Kattupalli Expansion Project, 2020	A Writ Petition was filed at Hon'ble Madras High Court regarding finalising the venue for conducting Public Hearing by Tamil Nadu State Pollution Control Board for Kattupalli Expansion Project. The matter is pending in Court. However, all the due processes have been followed in line to EIA Notification, 2006 as amended including finalisation of venue. Public Hearing has been postponed by TNSPCB on account of concern related to COVID-19 Pandemic.

Ensuring stakeholder trust

The key theme in APSEZ's interaction with each stakeholder, employee to community, supplier to customer investor to government, is that of trust. We endeavour to build lasting, trust-based relationships that make it possible to relate to stakeholder concerns and expectations. The better we understand them, the more competent is APSEZ to address them.

Our approach helped us address the pandemic. Adequate modifications helped us address the health and wellbeing needs of employees on our sites, making provisions for more work to be carried out remotely, fundamental needs of shelter and food were strengthened for onsite workers. We encountered challenges due to skilled workforce being intermittently available due to the pandemic. We supported community efforts through engagements at the local community level and at the national level (by contributing to the PM Cares Fund).

We foresee this trend to continue. The relevance of several material topics connected to people like employee engagement & wellbeing, vendor relations, availability of skilled manpower, labour relations and human rights have seen an upward trend. Meeting some of our commitments on social aspects was challenging due to revised priorities. This did not deter us as we utilised this challenging time to strengthen our processes related to all stakeholders. We achieved a milestone by becoming UNGC member, which will be our guide to higher standards of human rights and labour relationship management. We formulated policies and guidelines related to human rights, employment of differently-abled people and sustainability aspects in supplier code of conduct.

We intend to undertake these activities in the coming year. While transparency and engagement have been central to our stakeholder relationships, we intend to strengthen them by following third party due diligence and engagement programmes.

How we strengthened our customer proposition platform

Overview

At APSEZ, we have positioned ourselves as a port of choice. We service provider offering a complement of services supported by state-of-the-art technologies, best-in-class infrastructure, automation and efficient time management – that enhance the customer's value proposition. At the heart of the Company's strategy to retain customers has been its ability to enrich the customer's delight. During the reporting year, the Company handled 6,538 vessels with 247 MMT of cargo, an increase of 11% over FY 2019-20.

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 in the emerging reality. 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 feed off each other. The way we service our customers is expected to become a priority comprising safety, speed and delight.

Input	APSEZ activities	Output	Outcome
Manufactured Capital Plug and play infrastructure Service integration: port operations to logistics and SEZ ownership	**Integrated model** Port SEZ Logistics	Revenue predictability Guaranteed turnaround time Low cost	Safety Speed Delight Stronger pricing power Customer retention
Intellectual Capital Automated cargo tracking Single-window service Data driven analytics Cost tracking tool	Container Tracking System Service portal Systematic data recording and monitoring	Lower turnaround time One-stop service Systematic data management and presentation Real-time cost estimation	Faster operations Ease of doing business Decision making Customer trust
Natural Capital 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 leverages IoT devices; data analytics were used to deliver a seamless multi-modal convenience; its use of sophisticated IT tools (APMS, SAP and Mercury, amongst 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 vessel and cargo status.

Customer delight

How we have built a robust technology-led service platform

At APSEZ, we have fused hard infrastructure with cutting-edge software to enhance customer delight.

What has made the Company's approach distinctive is 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 country's infrastructure sector. A combination of these approaches has 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 are already in use at Mundra port. These will complement and make 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.

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.

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 measures the area occupied/ available for cargo, volume occupied, stowage factor and estimated cargo weight at any given point.

Video analytics: To minimise human intervention errors, advanced video analytics was used for test cases including intrusion, tempering, over-speeding, trespassing, fire, smoke, colours, number plate identification, vehicle identification and crowd movement etc.

Engaging customers in our 'green' initiatives

Overview

Beyond investing in 'green' infrastructure, we work closely with our customers, given that customer activities can account for almost 50% of the environmental and social impact of our business. Through our berthing document, we established accountability and transformed behaviour to jointly progress towards Sustainable Development Goals and the country's mission to meet the Paris Goal commitment.

To empower our customers to moderate their carbon emissions, we are working to provide shore power and other energy needs to the berthed vessel. To encourage shipliners to use low carbon emitting fuel for their shipment, we are developing an incentivisation programme. In addition, all customers can opt for our garbage reception facilities to help them in proper waste management and disposal. In support of sustainable operations, APSEZ engages with customers on reducing their carbon footprint on shore and offshore as well the intrinsic links between green and safe operations.

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 several key 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 level as a barometer 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 below. This year we modified the survey methodology and associated target.

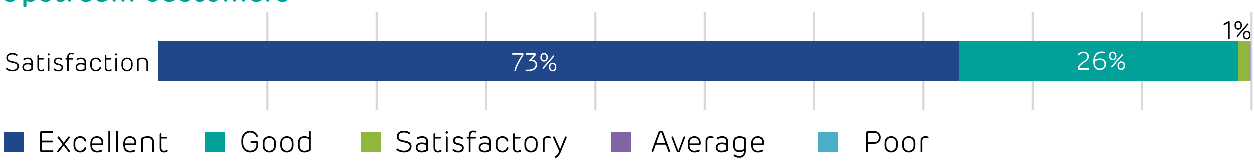
Upstream customers

We conduct regular feedback surveys for our upstream customers, which are major shipping companies with access to our marine services at five of our ports: Mundra, Hazira, Dhamra, Kattupalli and Dahej. Some 4,263 marine vessels from various ports participated in the survey in FY 2020-21, with nearly 99% of our customers satisfied with our services.

99%

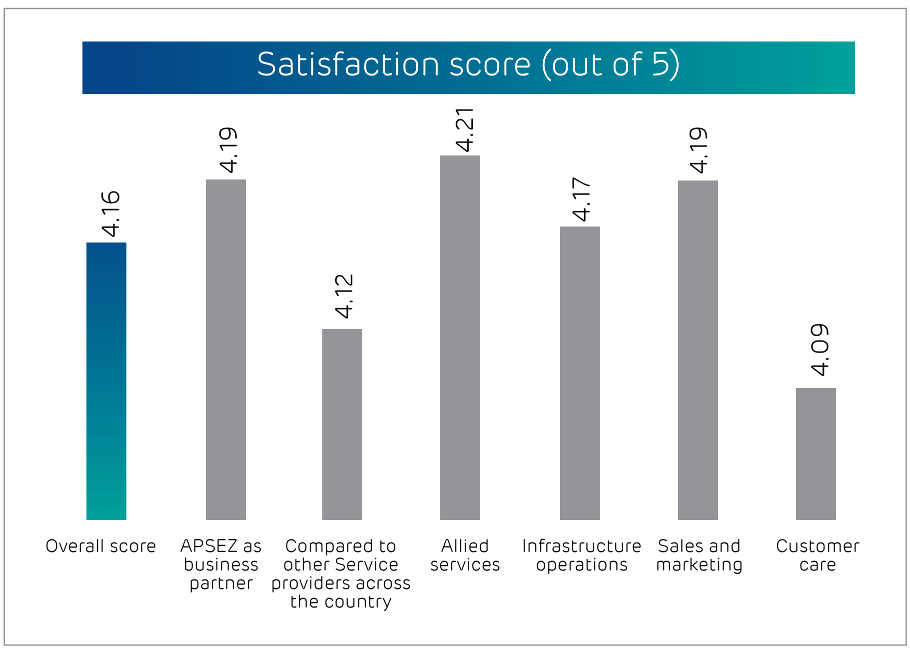
of our upstream customers are satisfied with our services.

Upstream customers



Downstream customers

We engaged with customers, who availed of our cargo handling, logistics, dredging and SEZ services, through a customer engagement survey. As a result of the engagement, it was discovered that 93% of our customers were pleased with APSEZ's overall services during the reporting period.



4.75/5

Desired Customer Satisfaction Score by 2025

Data privacy

At APSEZ, we put a premium on customer data privacy and security. Information security materials are made available to educate stakeholders on risks, especially in the handling of sensitive corporate data. In 2019, we implemented a data privacy policy, which informs stakeholders on how APSEZ manages personal data in compliance with the Data Protection Act.

Customers and business partners can get in touch with our team, email and phone on matters concerning their personal data with APSEZ. In FY 2020-21, there were zero substantiated incidents concerning breaches of customer privacy, theft, leak and loss of customer data or critical information.

How cutting-edge technologies reinforced our aspiration to emerge as a 'smart' port

How we fused innovation with speed and sensitivity to create a distinctive culture

Berthing capacity for vessels of the future: We developed the capability to handle vessels that are still at the blueprint stage among shop designers - some longer than the height of the Eiffel Tower – enhancing the future-proofing of our ports.

Remotely operated robotic e-RTG: We use cranes in our ports that can be operated from any part of the world, enhancing our technology quotient and making our infrastructure excitingly futuristic.

Largest automated 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.

First floating Ro-Ro terminal in India: We launched India's first Ro-Ro terminal that can be operated 24x7 even with a 6m variation in the sea level, enhancing customer service.

Zero vessel-waste dump: We developed the capability to completely (100%) treat and recycle solid and liquid waste generated by incoming vessels.

Largest dredging capability: We developed the largest dredging capacity in India equivalent of 80 times Vatican City by size.

Handling capability for most complex cargo: We developed the expertise in handling special cargo ranging from metro rail bogies to helicopters, cranes and wind turbines among other applications.

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 relay to the TOS, avoiding delays and errors (the system provides a position of the hoist, trolley, gantry stack, yard and yard block using a combination of laser sensors). The result is an increased ability to deliver containers on schedule.

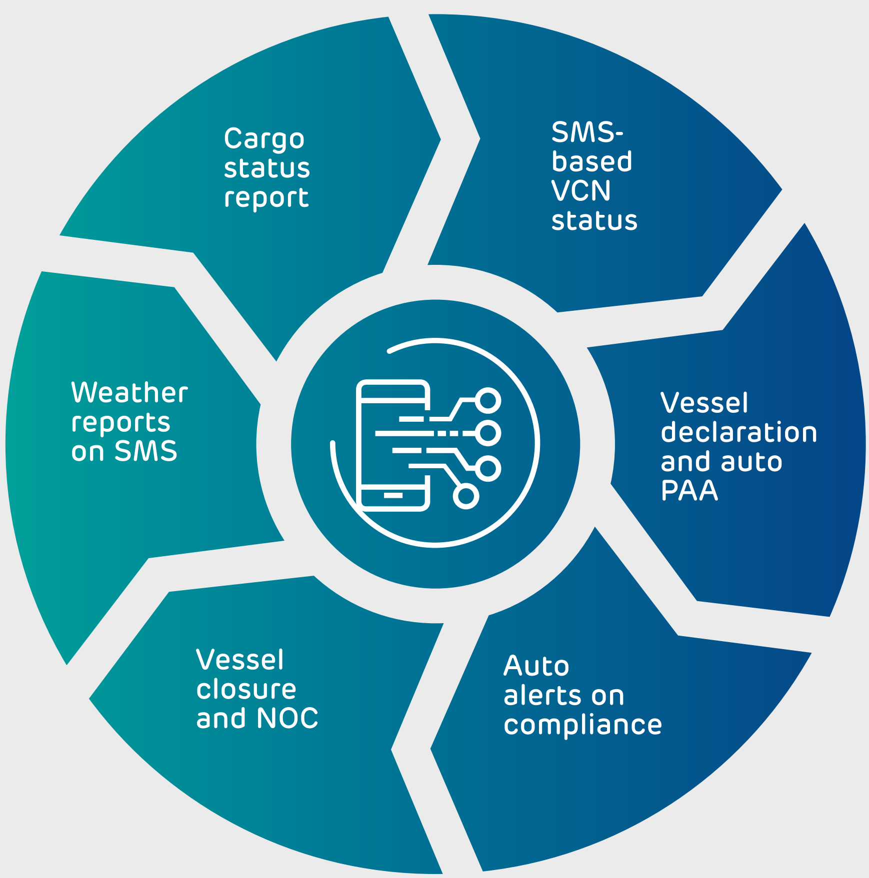
Auto-steering for RTG: We installed a laser-based feedback system that minimised the zig-zag movement of RTGs. The stack profiling system can analyse the height of the stack and prevent collision with RTGs through automatic immobilisation, enhancing safety and equipment efficiency.

Anti-lift mechanism for twin 20ft 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. It strengthens safety by detecting twin containers using a photo sensor in the spreader even if they are missed by the operator.

Automatic hydrocarbon gas detectors: We designed a system to detect the number of gaseous hydrocarbons in the ambient air, which was integrated with the SCADA systems to provide real-time information and raise automatic alarms when necessary

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

Leveraging IT for providng superior information access to customers



How we developed our sustainable supply chain

Vendor development

APSEZ has a significant influence on the environment and society through its engagements with vendors and suppliers. We are aware of the responsibility and with our suppliers, we drive our sustainability agenda.

Strategy and management

We enhance the strength of our value chain through the selection of suppliers willing to engage with us across a spectrum of sustainability aspects while adhering to our quality and price sensitivity requirements. As a business conglomerate, we enforce a significant influence on our suppliers, especially those who use our workplace for delivering services. The first step is a careful selection of vendors based on quality parameters, availability of manpower, experience and compliance with environmental and social norms. We put a premium on long-term relationships that strengthen the stability of our supply chain and generate a superior return on investments. Vendor registration and onboarding are critical 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.

We are guided by Adani Group's sustainable procurement guidelines related to responsible sourcing. Our environmental, occupational health & safety and human rights policies encourage material and service vendors to address our requirements. Our guidelines also indicate our preference for ISO 14001 and ISO 45001. All suppliers are required to adhere to APSEZ's supplier Code of Conduct, which provides comprehensive guiding principles for our vendors and suppliers to comply with APSEZ's expectations, including environment, health, safety and ethical employment, as part of the official onboarding process. For key business activities, vendors are required to meet the basic EHS pre-qualification criteria.

The APSEZ team comprises HR, ESG and techno-commercial professionals who evaluate the pre-qualification criteria and the track record of potential suppliers. In FY 2020-21, 100% new suppliers on-boarded complied with EHS standards. We are in the process of setting up systems to deepen supplier engagement to the enhance our sustainable supply chain. The engagement with specific vendors is reinforced through platforms (annual vendor meets, supplier vendor audit etc.) to ensure business continuity.

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.

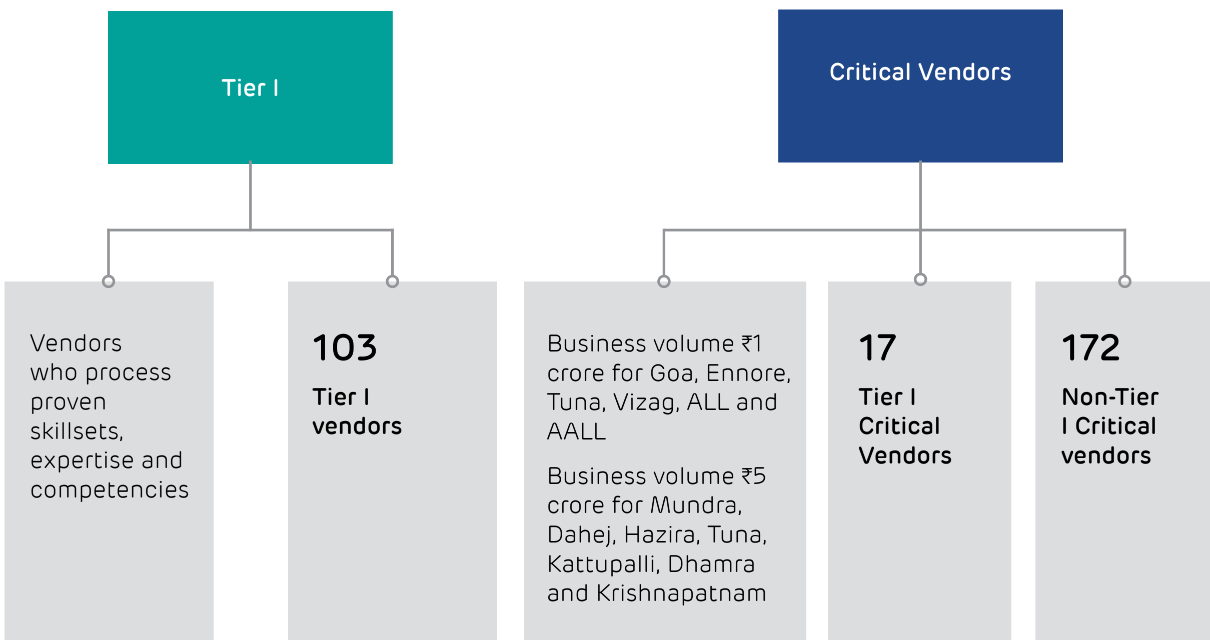
The Supplier Code of Conduct provides comprehensive guiding principles for our vendors and suppliers to comply with APSEZ's expectations of ethical standards, covering following areas:

- Bribery & corruption
- Environmental sustainability
- Conflicts of interest
- Health and safety
- Legal compliance
- Human rights
- Equal opportunity
- Working hours & wages
- Human trafficking
- Freedom of association
- Ethical practices

Selecting supplier for deeper engagement

We classify suppliers across various categories leading to structured mode of supplier engagement. We define critical suppliers as the ones with proven skillsets, experience and competencies who provide our Company with a business volume greater than ₹1 crore

Vendor categorisation



Supply chain monitoring and due diligence

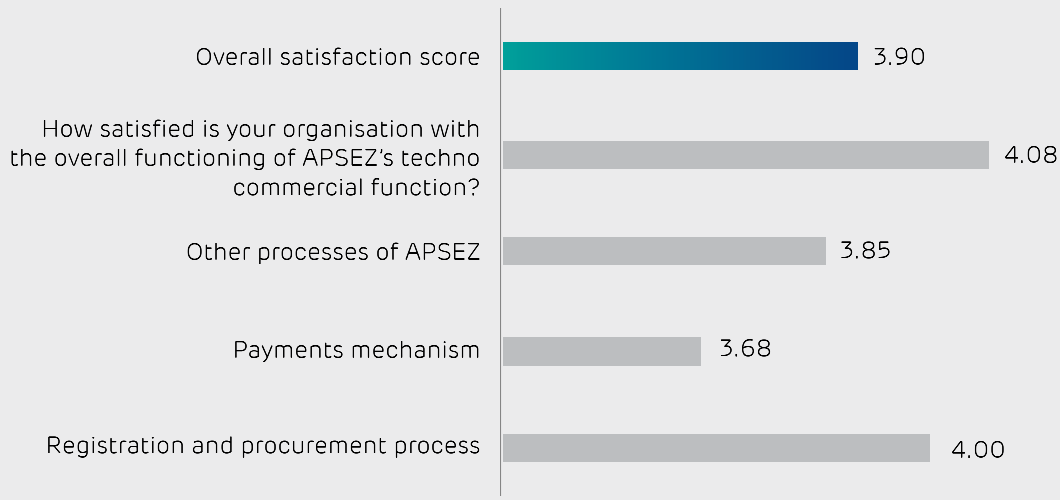
Supply chain monitoring and due diligence is essential to prepare businesses for any unforeseen reputational or continuity risks. APSEZ proactively engages key stakeholders to embrace safe and environment friendly practices as well as best operational practices throughout the operational lifecycle. We achieve this by establishing clear procurement guidelines and specifications for our vendors to reduce the overall environmental impact of our projects.

APSEZ's engagement with suppliers helps reduce environmental and societal impacts. Suppliers who work at APSEZ workplaces are encouraged to reduce energy and water consumption.

The supplier ESG performance assessment criteria are integrated into the Supplier Performance Assessment Scorecard (to be implemented from FY22). In this scorecard, safety and compliance carry 10% weightage each while performance including other ESG criteria carry 80% weightage.

To qualify or continue providing services to APSEZ, each supplier needs to achieve a minimum 90% score (with monthly monitoring and evaluation). We will utilise these scores not merely to judge but also to assist suppliers improve the Supplier Score, indicating their seriousness, ability and adaptability. We will continue to work with suppliers who keep improving, their payments, termination and non-renewal linked to their scores.

Vendor satisfaction score (out of 5)



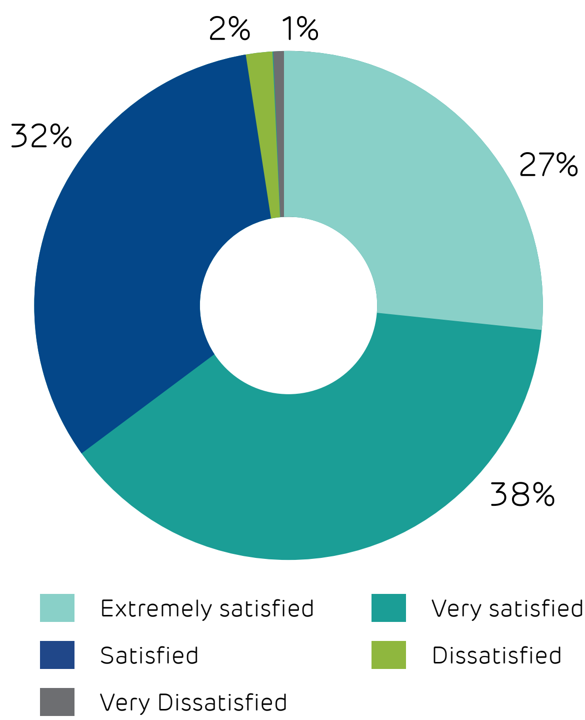
Vendor engagement

We engage with vendors regularly through formal and informal modes such as WhatsApp group chats, site and personal visits etc. This ensures that we are on the right track towards sustainable development. It also gives us an opportunity to understand gaps and areas of improvement.

As an annual practice, we engage with all our suppliers through an online survey form. The survey consists of questions around APSEZ's policies, team behaviour, transparency practices, payment terms, ethical practices etc. The outcome of the survey reflects our conduct with vendors and the effectiveness of business practices. In FY 2020-21, we reached 2,239 vendors through the survey and received responses from 1,458 vendors, an overall response rate of 65%.

Around 97% respondents were satisfied with APSEZ. Only 16 vendors reported dissatisfaction with our processes and we are in the process of investigating the reasons.

Vendor satisfaction survey



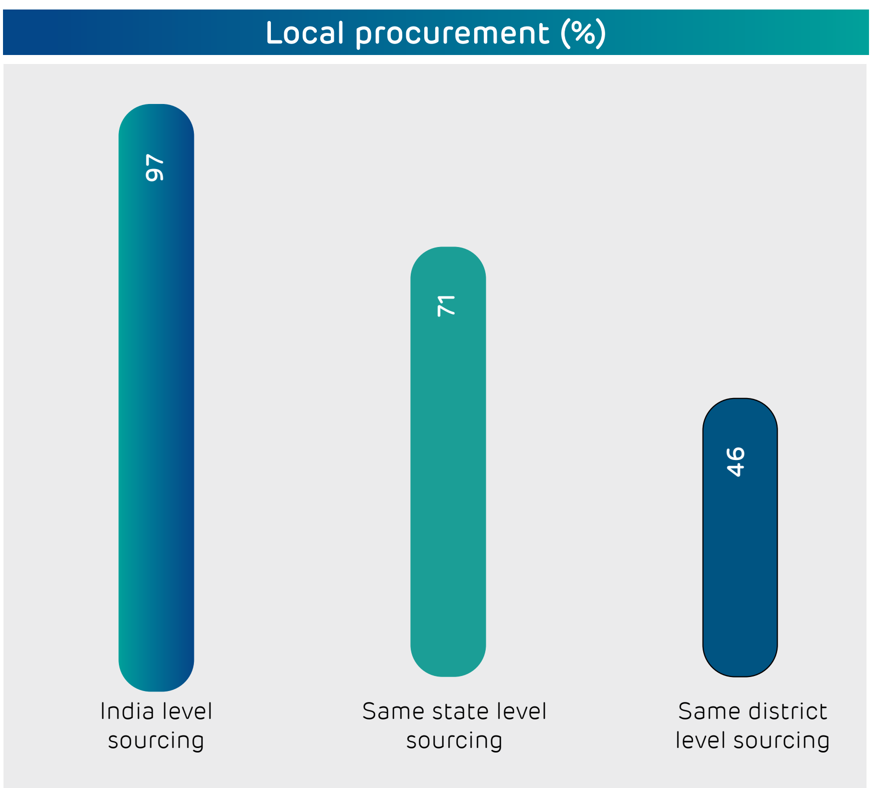
Procurement

Local procurement is a key driver of economic development, creating mutual benefits. Our upstream and downstream operations are dependent upon local contractors to execute our go-to-market strategy of being an end-to-end integrated logistics player. In this context, local procurement is a key facet of our overall sustainable supply chain strategy. There is a huge potential to contribute to the local economy by contracting construction and manpower vendors from nearby locations.

Local suppliers possess a sound knowledge of the micro-dynamics of the region that helps us extend beyond natural cultural and regional barriers with ease while recharging the local economy. Additionally, it has multi-fold benefits ranging from speed in the delivery of services, after-sale services, reduced costs etc.

We also know that, as one of the major industries, there are expectations within local communities for employment opportunities. We aim to fulfil these aspirations as far as they are reasonable without compromising standards. However, there are some material supplies, which are procured centrally and through vendors, which largely come from other parts of the country.

A thriving local economy is also an indicator of good business and vice-versa. We encourage small and medium local suppliers to bid for various opportunities. About 71% of our procurement in FY 2020-21 was through local vendors in the state and 46% from respective districts. For instance, in Gujarat, we contributed ₹2,217 crore to the local economy by procuring from local vendors. As on March 31, 2021, we had 3,221 vendors delivering services.




EXPRESS ROME

KNOWLEDGE CAPITAL

How we have built a robust people platform for sustainable growth

Our people platform targets by 2025

- Improvement in Employee Engagement Score from 4.2 out of 5 to 4.5 out of 5
- Increase in average per person training hours per year from 37.5 to 40
- Succession Readiness Index of critical positions from 80% to 90%
- Internal fill ratio to remain between 70% and 80%
- Change of roles in a 3 to 4-year span from 40% to 65%
- Voluntary attrition to remain between 4% and 5.5%
- Overall attrition from <10% to <8%

People engagement score

4.1

Out of a maximum of 5.0 (Gallup); figures in the 72nd percentile

59

APSEZ's Gallup Engagement Score in percentile position in India

56

APSEZ's Gallup Engagement Score in percentile position against global benchmarks

People retention

96.10

% people retention, 2020-21

Succession management

70

% critical positions that have a minimum of two successors

100

% development plan created and implemented for identified successors

Training

1,02,503

Person-hours of training, FY 2020-21

9.8

Percentage positions filled through internal movements, FY 2020-21

74

Percentage workforce comprising engineers and other professionals (as on March 31, 2021)

7.29:1

The Engaged vs Disengaged ratio at APSEZ

Sustainable platform

Select recruitment	Experience and enthusiasm	Training
Leadership development	Employee safeguards	Protection

Overview

At APSEZ, we believe there is a premium on people skills, experience and adaptability in a rapidly transforming world. The world is marked by sweeping changes in globalisation, technology, trade flows, digitalisation, climate change and political transformation. When seen from a purely Indian perspective, there is perpetual change, rural consumption engine and the impact of an unprecedented pandemic. In a world where transformation is the only constant and uncertainty the only certainty, the biggest challenge, differentiator and opportunity lie in how the Company recruits, retains and grows its people.

APSEZ perspective

At APSEZ, the management outlined a target to manage 500 MMT in cargo by 2025. This placed a premium on the need to align the entire organisation – across locations, functions and tiers - to address this ambitious target.

The Company outlined initiatives to recruit talent ahead of the curve, develop leadership and managerial talent for critical positions, strengthen foundational, strategic and core capabilities, and judiciously balance experienced and fresh talent. Building comprehensive people and process capabilities ahead of requirements remained one of its imperatives.

The Company responded to emerging needs through a structured approach based on clarity of roles and responsibilities, proactive enablement, milestone-based comparison of targets and achievements, investment based on need-gap analysis and a people competence platform to facilitate scalable growth. A strength-based development approach was designed to grow people from within. Continuous and repeatable cycles of 'learn – contribute – grow' form the core of the Company's employee value proposition. Leadership talent was developed across functions.

Our approach

The Company attracted competent talent from adjacent (to infrastructure) sectors, possessing challenges (scale, related complexity and project execution timeliness) like the port & logistics businesses. A robust on-boarding assimilation engine resided at heart of this endeavour. The principal elements of this approach comprised a need to attract the best, retain the most and grow them all.

APSEZ responded to the challenge of making the organisation future-ready through an in-built Capability Model. The approach comprised building individual, team and organisational capabilities covering domain and managerial-behavioural-leadership competencies. This

approach empowered the Company to develop a desired capability mix, comprising the right number of professionals with desired competencies in the right locations, ensuring the availability of competent culturally aligned professionals.

The Company focused on maximising people retention. Rapid growth provided people development opportunities, a symbiotic proposition that led to high people engagement and retention. Besides, the Company demonstrated patience and talent nurturing, helped employees during the settling-in period, enunciated the right expectations of organisational priorities, analysed congruities between expectations and delivery, enhanced role clarity, enhanced domain competence, created an eco-system of support, deepened an active culture of performance management and introduced (transparent and measurable) quarterly variable rewards programme. It capitalised on the application of enabling technologies to enhance employee experience. These measures enhanced net people asset value and organisational agility.

The Company empowered people to contribute through performance, learning and growing their value proposition. The result has been a diversely talented workforce, marked by a multiplicity of perceptions and experiences on the one hand and enriched culture, competence, capabilities and change management capabilities on the other.

The Company designed labour management policies with provisions in compliance with Indian labour laws, UN-ILO conventions on labour matters and UN Global Compact Principles. The purpose of this comprehensive policy architecture helped foster a work environment conducive to upholding human dignity, matching global standards. The organisation deployed these policies with rigour to inspire confidence in the workforce and larger community.

Considering the importance of building diversity, an extensive D&I (Diversity and Inclusion) programme was deployed wherein diversity (not limited to gender but also of age, education, caste, creed, colour, though process, sexual orientation, domicile, nationality etc.) was built by design, encouraged and leveraged. Diversity and inclusion programmes were run for managers and employees so that the overall employee experience

Work profile

On Roll + Contractual					
Employees					
Age <30		Age 31-50		Age >50	
359 Male	13 Female	2015 Male	27 Female	316 Male	3 Female

New Hires					
Employees					
Age <30		Age 31-50		Age >50	
37 Male	2 Female	74 Male	0 Female	8 Male	0 Female

was in line with stated D&I objectives. Within the framework of being an equal opportunity employer, the Company improved team diversity. In FY 2020-21, the number of women employees grew from 24 to 40.

APSEZ promoted an open work culture. Open access to managers and executives to discuss ideas, issues, concerns and grievances was encouraged. Creative ideas were addressed, discussed and developed; individual concerns were resolved, enhancing workforce commitment. In line with a culture of open feedback, the Company engaged in 61 employee connects in FY 2020-21 through Large Group Interactions addressed by the leadership team. The Company conducted 487 one-on-one employee sessions as a part of its employee Connect Program.

To partner a growth agenda and execution excellence, the Company's people management practices helped attract, retain and grow talent. Building people and process capabilities for reliable and consistent performance were pursued. A continuously growing Net Talent Asset Value through targeted investment and other measures remained a qualitative goal.

487

one-on-one employee sessions as a part of its employee Connect Program.

Guiding compass

The Company's human capital approach integrated people strategies around business requirements. Policies, processes and systems flowed from these strategies across the employee lifecycle. These policies, processes and systems complied with the laws of the land and international standards. The APSEZ Code of Conduct, Human Rights Guidelines and Whistle Blower guidelines remained guiding lights. All employees and stakeholders were required to report actual or suspected violations of guidelines breach. Value creation for all stakeholders through performance and care guided the organisation.

APSEZ Code of Conduct: APSEZ employees are required to engage in activities with internal / external stakeholders. Employees were required to maintain the highest standards of corporate conduct and ethics. A 'Group Policy and Code of Conduct for Employees' was enumerated for Adani Group employees. Provisions of Group Code of Conduct were applicable to APSEZ employees. New joinees were trained in Anti-Bribery and Anti-Corruption guidelines during their induction. All Directors, officers, employees and consultants will receive relevant training on how to implement these guidelines.

Human Rights commitment: APSEZ is committed to protect the rights of every individual in its ecosystem. Human Rights Guidelines apply to all employees, permanent, contract or temporary, and other associates working for APSEZ and other (owned, operated and managed) entities. Suppliers and vendors need to follow these guidelines, while dealing with ASPEZ. Providing an equal employment opportunity, ensuring distributive, procedural and interactional fairness, creating a harassment-free, safe environment and respecting fundamental rights are paramount. Our Code of Conduct and Human Rights Guidelines are aligned with globally accepted standards.

The Human Rights Guidelines are aligned with globally accepted standards like the U.N. Global Compact, U.N. Universal Declaration of Human Rights and International Labour Organisation's Declaration on Fundamental Principles and Rights at Work (ILO Declaration). The policy covers all employees, suppliers, clients, communities and location/geography where we do business.

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 bargain-able segment of workforce, right of association, negotiation and collective bargaining are 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.

Prevention of Sexual Harassment at workplace: APSEZ practices a zero tolerance towards sexual harassment at the workplace. The Company adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. The Company complied with provisions relating to constituting Internal Complaints Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Provisions of these policies and guidelines were deployed and reviewed with rigor and exceptions were dealt with as per applicable procedures.

Resilience in crisis: The outbreak of the COVID-19 pandemic slowed global economic activity. Despite challenges, our continued services were needed more than ever. Resonating with the Company's mission of nation building, our employees and support teams stood up to the task of remaining operational while ensuring no safety compromises.

The COVID-19 pandemic was monitored; safety, social and economic risks were evaluated. The leadership invested in extensive safety protocols and mandatory practices to protect employees without impacting business continuity. The workforce demonstrated resilience in adapting to new ways of work and life.

The Company enhanced safety and hygiene standards at its offices, sites and townships. Its policies promoted safety and moved most essential activities to digital platforms. The Company rolled out localised health advisories to enhance pandemic awareness, sensitising employees and their families to adopt best practices as per Government guidelines.

To measure the impact of the COVID-19 on employee wellbeing and mental health, APSEZ collaborated with the research team of Tata Institute of Social Science (TISS) and SNDT College (Mumbai) to conduct employee wellness checks in November 2020. The survey generated 75% employee coverage; an average score of 3.71 out of 5 validated our commitment to a healthy work-life balance and employee wellbeing.

Despite the pandemic challenges, the employees delivered an EBITDA margin of 70% and enhanced milestones. Market share increased 400 bps pan-India with the Mundra port emerging as the largest container port in the country (surpassing JNPT by a leap). The Company expanded its presence in domestic and international locations with four large acquisitions – the Krishnapatnam port, Gangavaram port, Dighi port and Sarguja Rail line, taking the Company's portfolio to 13 ports in India, in addition to a container terminal at the Colombo port.

Outcomes

The outcomes of these initiatives were visible across the Company's performance: increased people retention and enhanced people engagement. Projects were completed on or before and within or at scheduled costs; besides, high people engagement strengthened Customer Score and Vendor Score, the success drivers of the Company.

Our customised training programmes

Data analytics	Art & science of feedback	STRIVE: Role of the manager	First time manager	Knowledge sharing and mentoring
Leadership excellence for Adani professionals	New Labour Code	Finance for managers	Managing teams virtually	eVidyalaya: Self-paced learning through Skillsoft and Percipio

Case study#1
Effective HR in action

A large port was acquired by APSEZ. One of the key imperatives of the acquisition was an accelerated integration of the new entity into APSEZ. A team comprising high performance executives from different functions was constituted, involved in the due diligence. Immediately after acquisition, this team was placed in the new entity, assuming leadership roles.

Due to their familiarity, clarity of purpose and extraordinary striving, the integration process was completed.

People, culture and process integration were led by leadership team members in every department. The apprehensions of the existing workforce were resolved through extensive communication.

Most performance parameters in the acquired entity improved significantly within the first quarter of acquisition and reached the APSEZ standard within the first six months of operations.

Case study#2
Quarterly variable rewards program

As a practice, APSEZ employees are appraised once a year based on their deliverables. As a part of the growth and business transformation program, Xceed (quarterly variable rewards program) was deployed.

Xceed sets goals over a short span of time at individual levels. It enhances clarity to achieve goals every quarter. Constructive and relevant feedback to every executive by a manager every quarter is integral.

Extensive communication was carried out for employees across levels in the form of large group interactions and team meetings to explain the significance and impact of change. The organisation responded to the new format of managing performance from the first quarter. Quarterly goal-setting discussions and evaluations helped employees address their targets with role clarity, improving productivity and goal achievement.

Occupational Health and Safety

At APSEZ, the safety of our people is integral to our existence. Our goal is to provide a safe working environment for all employees, maintaining superior health and safety conditions for our people and public. This necessitates constant vigilance. Due to the COVID-19 pandemic, FY 2020-21 was an unprecedented year in terms of managing the health of every worker at the workplace, stressing the need for each one to remain vigilant. We strive to improve our performance across a range of internal and external health and safety indicators on a continuous basis.

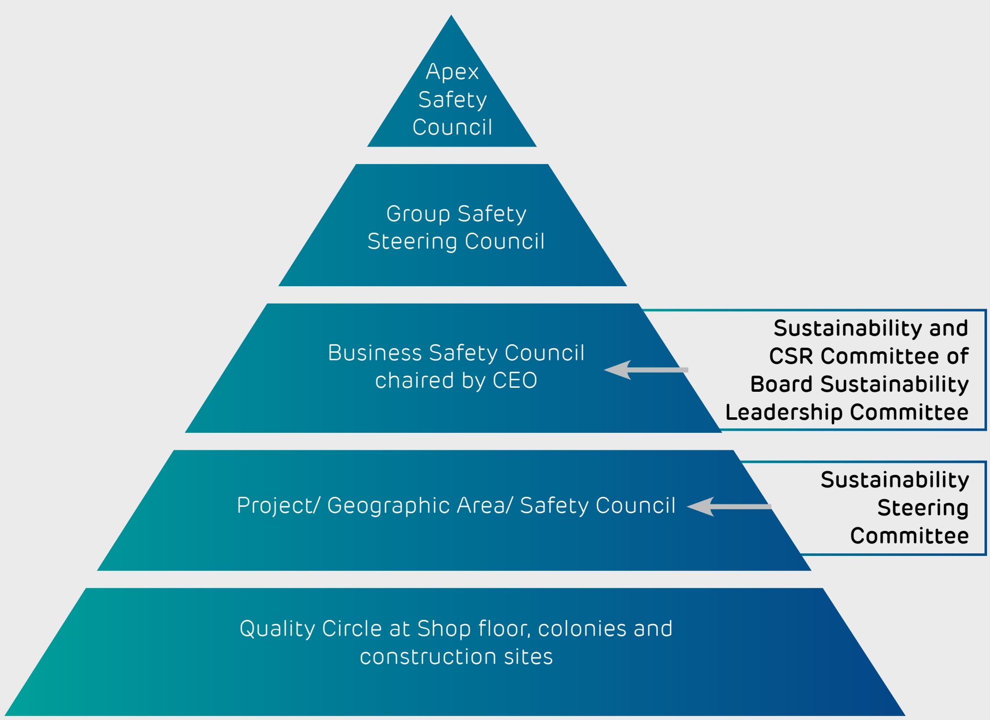
Safety mission to strengthen safety practices

- A robust governance structure, facilitating accountability and ownership
- L&D that fosters 'will', 'knowledge' and 'skill' on safety aspects
- A mechanism of effective communication, vital to a safe culture for in-house employees and partners
- Record, report and investigate safety incidents for corrective and preventive actions
- Performance Management System that encourages contribution and commitment towards safety
- Extend and promote safety practices beyond the workplace

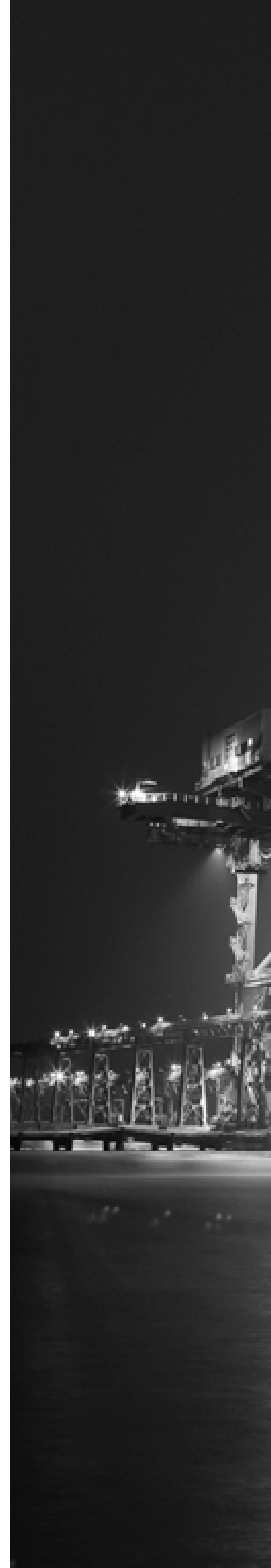
Board oversight on safety

The Company embraced a 'Zero Accident Vision' where the principles of safety were embedded in individuals and teams. The priority on the implementation of Safety Management System was documented in the form of an Adani Green Book, which comprised prescriptions, objectives and 10 Life Saving Safety Rules, covering the roles and responsibilities of employees, associates and vendors.

To deliver on the vision and our commitment to 'Zero harm', we created a robust governance structure at the Group, business and site levels. The Group Safety Council provides strategic and technical assistance while the Business Safety Council ensures deployment and resources planning. The Site level 'Location Safety Council' implemented safety measures and facilitated safety excellence. A safety Task Force was formed at group, business and site levels to oversee the effectiveness of specific safety aspects. Committees, along with the establishment of five Task Force teams, enhanced accountability and ownership in each on-site individual. The safety teams at the corporate, function as well as line managers monitor the safety priority, while providing systems and practices certified with Safety Management System (ISO 45001:2018).



Integrated safety governance structure at Adani Group and APSEZ



Five Safety Task Force

Five Safety Task Force safety goals	Safety Standard, Rules and Procedures	Contractor Safety Management
Training and Capability Building	Logistics Safety (road, rail and warehouse)	Safety Interaction (Observation), Incident Reporting & Investigation Audit

Technological enablement of safety incident reporting and response management enabled every on-site individual to report safety concerns, near-misses and incidents on an online platform within 40 seconds by using the smart phone. In FY 2020-21, 78,700 concerns were reported through the online platform of Adani GENSUITE, which formed the basis of proactive action to avoid high potential incidents. Automatic notification of site/department leadership for follow-up and leveraging charting & reporting features were used to identify trends and leading indicators. High potential incident-animated videos were developed for learning from serious incidents to minimise their recurrence.

Technological-based real-time monitoring through CCTVs was all available at all identified hazardous locations to enable 24x7 timely action and alerts. This was supported by continuous audio safety announcements at all locations in regional languages. Simulation training was developed and made available at the entry gate. Basic audio-visual-based safety induction training at the port entrance was mandatory for everyone. A number of safety e-learning modules were developed and made available on the e-Vidyalaya platform. To create awareness, ownership and implementation of safety procedures at site, Train the Trainer (TtT) was developed on each safety procedure for implementation and enhancing the safety culture. A Board approved reward and disciplinary Consequence Management Policy was applicable to positive and negative consequences.

For contractor safety, APSEZ conducted Safety Risk Field Audit (SRFA) and Vulnerability Safety Risk (VSR) through its Task Force Team. Following repeated non-adherence to APSEZ's safety expectations, a contractor can face temporary suspension or permanent blacklisting. Employees not practicing safe practices face consequences.

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 identification of areas with fire hazards through placards.

Safety interventions in FY 2020-21

- Provision of a Soft Emergency Shut Down button on the TT loading screen to stop loading at the bay from the control room (remote) during any emergency at the TLF bay of Phase2, liquid terminal of Hazira.
- Vehicle Tracking system in all internal vehicles helped track the speed of vehicles and turnaround time (TAT).
- Management Control Systems (MCS) and associated assets
- Safety integrity and design considerations in operational control and technological solutions

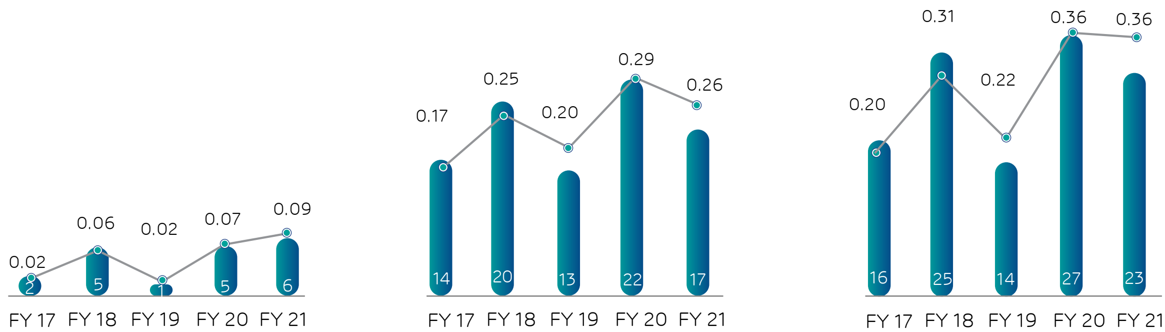
Safety performance

Despite precautions, there were six contract worker fatalities at the ports. These incidents occurred at Tuna, Dhamra, Mundra, Goa and Krishnapatnam. In each instance, detailed investigations were conducted to determine the root cause corrective and preventive measures implemented to avoid recurrence. The learnings were shared with all sites for appropriate action. We engaged with contractors to ensure that no further lapses occurred.

Safety statistics

FY21 Safety performance (GRI 403-9)		FY21	
		On Roll + FTE on contract	Contractor's workers
Head count	Number	2733	26,598
Total hours worked	Hours	4829738	59740527
Fatality as a result of work related injury	Number	0	6
	Rate (per million of person hours worked)	0.00	0.10
High consequences work related injuries (excluding fatality)	Number	0	0
	Rate (per million of person hours worked)	0.00	0.00
Recordable work-related injuries	Number	1 (LTI)	49 (LTI - 16, Fatal - 6, MTC - 27)
	Rate (per million of person hours worked)	0.21	0.82

Overall safety performance (On roll + FTE on contract + Contractors' workers)



Fatality | Lost time injury | Fatality and Lost time injuries

Incident (Number) — Rate (per million of manhours worked)

Note: All data in the graphs is based on 1,0,00,000 hours worked

Each incident is a serious issue at APSEZ. Incident investigation is followed through the implementation of measures. Critical safety areas comprise working at heights, machine guarding, electrical safety, isolation & lockout (LOTO), confined space, material handling and scaffolding. In FY 2020-21, safety incidents occurred in areas like heights, machine handling, material handling and road safety.

Safety incident description	Actions taken to strengthen safety
Work at heights – One fatal incident at Tuna terminal	▪ Mandatory use of leveling equipment and safety harness for covering the vehicles with tarpaulin ▪ Developed a dedicated truck tarpaulin covering area to avoid risks from regular moving traffic ▪ Strengthened night illumination in the cargo loading and covering areas ▪ Installed a safety net while loading cargo ▪ Used camera-based surveillance in the cargo covering area
Machine Handling – One fatal incident at Dhamra port	▪ A permit to work system has been implemented effectively with centralised PTW cell in the MHS area. ▪ Effective supervision by Shift In-charge/ Area Manager before engaging persons to any work under PTW. ▪ Access control to authorised engineers/ operators for entry into CCR ▪ CCTV surveillance system review ▪ Machine guarding ▪ Inspection of machine parts through camera to avoid possible contacts with the rotary part of equipment.
Material handling – One fatal incident at Mundra port	▪ RTOS support to carry out activity at the gate ▪ Trials in one RMGC to build person detection alert system based on the camera feed ▪ Streamlining wagon crossing while the train is stationary ▪ Establishing communication procedure with lasher and operator / controller prior to wagon crossing to ascertain the status of train. ▪ Twist lock flipping is carried out outside the RMGC. ▪ Introducing additional control where the training is mandatory through a paper trail as part of the permanent gate pass generation in Kronos.

Safety incident description	Actions taken to strengthen safety
Behavioural issue – One fatal incident at Goa terminal	▪ Communication and awareness through interactive session specifically on resting areas, by display boards, screen and posters ▪ Identification machine areas that must not be used for resting ▪ Refresher safety course for all contact workmen and contractors
Road incident - One fatal incident at Mundra port	▪ Use of bikes by employees and service providers to be stopped in the area with HMV movement ▪ Stoppage of the inward movement of 2-wheelers at night across APSEZ, Mundra (1900 – 0500 hours) ▪ Installation of a light barrier or glare screen across the road ▪ Campaigns to enhance staff awareness in the SEZ area ▪ Inspection of crash helmets ▪ Installation of signages in the SEZ area
Work at height - One fatal incident at Krishnapatnam port	▪ Ensuring the maximum level of bag stacking to the level of the truck cabin roof height to create stabilised stack ▪ Restriction on workers coming to the edge of the stack. ▪ This incident was included in the Daily TBT at all locations at our ports. ▪ Minimum 4 to 5m between two vehicles parked side by side for loading / unloading of the bag cargo was maintained.

Safety highlights

- Safety goal: Zero harm by 2025
- Training and capability building: Training person-hours for employees and contract workers were 5892.
- All ports are ISO 45001: 2018 Safety Management System certified.
- Gap assessment and the implementation of a safety procedure are evaluated by a third party at the port sites.
- Safety handholding and assessment done by a third party
- Road Safety Audit carried out by a third party
- Monthly self-assessment carried out by a task force team
- Safety Risk Field Audit (SRFA) carried out at the site level by a task force team (TF2 Contract Safety Management) on a regular basis.
- Critical safety procedures reviewed periodically.
- Vulnerability Safety Risk Assessment by a site task force team (TF2 Contract Safety Management) to identify and comply with SOP updation/ refining
- Technological and digital interventions on safety
- Digital initiatives for enhancing safety comprising sensors, speed tracking of vehicles etc.

Process safety

Process safety and risk management can reduce the probability of any incident occurrence.

APSEZ lays a special emphasis on continuous process improvement and risk mitigation to ensure a safe workplace with the objective to achieve zero harm for every worker.

Operations risk management

At APSEZ, we identify process-related risks and keep updating the risks register as a part of our continuous learning to prevent recurrence.

Contractor safety management

We have a responsibility to ensure that all personnel who enter our working area benefit from a safe working environment. Contractor personnel safety is an integral part of our approach to health and safety management.

Before any contractual engagement begins, the following are taken of:

- Appropriate contractor selection with in-depth analysis of our safety culture before on-boarding
- Familiarisation with a layout of size and peculiarity to workplace requirements; regular toolbox discussions; continuous monitoring of the workplace.
- Authorisation for team members to stall operations if any unsafe act has been observed
- Impressing up on each worker the need to manage safe practices to the best of their ability.
- Effective visual tools deployed across all sites for the benefit of workers
- Work performance scorecard practices initiated (discussed daily with site teams)

Health & safety training

At all our sites, Health & Safety training is an important part of our culture. Activities at our sites are complex, warranting detailed operations induction and risks awareness related to activities being performed. To drive this culture forward, the following activities are performed daily at each site: safety induction, safety tool box talks, safety inspection and empowerment to stop operations.

Elimination of safety incidents on road

APSEZ is dependent on safe movement of cargo by road. To drive the safety culture to the next level, a specialist was engaged to minimise road incidents.

Speed radar guns were installed across multiple locations to warn drivers and reduce the possibility of accidents. Besides, this entire facility was covered by CCTV with video-analytic capability for advance warning. The Company engaged in educating drivers in respecting the appropriate speed limit and safe driving practices.

Healthy workforce builds a healthy Company

APSEZ has stood for the good health of its employees and their families. Occupational health risks are understood and supported by a wellness program. All employees undergo regular health checks as per the programme. To address the immediate health needs, all port locations commissioned health centres equipped with a medical emergency van. All contract workers were monitored for their health. We followed good practices to minimise occupational health-related illnesses.

The wellbeing of members at operating locations took a new dimension during COVID-19: monitoring and testing, social distancing at work as well as enhanced focus on hygiene. APSEZ supported the workforce by facilitating medical needs during COVID-19 through hospitals and other supports.

Rewards and recognition

On a monthly basis, all our ports were rank-based on an accepted scoring practice; results were displayed, creating healthy competition across sites.

Security

Port security is critical to customer confidence. Security risks for workers, community and infrastructure, arising out of geopolitical developments, are systematically assessed through the risk management framework. Strategic interventions are deployed in collaboration with the government and by strengthening systems. APSEZ has a three-layered security system (physical security, patrolling and drone technology-based monitoring).

APSEZ collaborates with Indian Coast Guards to monitor maritime security. To check preparedness, a Sagar Kawach exercise is conducted with the Indian Navy, Coast Guard and Marine Police. We provide timely warnings to the local communities and fishermen on safety hazards. Our security personnel play an important role in ensuring compliance with our human rights policy and guidelines. A psychological and secondary check of all security personnel are conducted before induction at sensitive locations. APSEZ sensitises its security staff on their duties, expectations and appropriate behaviour. In the wake of COVID-19 pandemic, provisions for contactless security checks were introduced. The local community at Krishnapatnam was trained in security services through programs aligned with the National Skill Development Program.

Emergency response programme

Exposure to extreme incidents has direct impact on our asset value and security of employees at our locations. We are at a high risk of revenue loss due to operational contingencies, low turnaround time and low calling at ports. On an average, we lose business of 2-3 days due to these factors annually. These factors, though accounted for, cause a financial loss to the Company.

Security measures, handled by our experienced team of marine officers and collaboration with the Indian Coast Guards, reduce the port's vulnerability. All ports under APSEZ abide by the disaster management plan that sets out security measures for on boarding vessels at locations where they are moored, defining guidelines and procedures during extreme weather.

Port facilities hold a security exercise once every year that tests the preparedness of employees to act at the time of disaster. During the event of a natural disaster like a cyclone, the disaster team, comprising site in-charge, safety officer and managers accountable, activate emergency preparedness, responses and investigation. Any potential risks emerging following the disaster are reported to the management through the Sustainability Council and investigated for inclusion in the Risk Management Framework.

We are covered by insurance against a range of disaster-related risks (security and safety). Our security practices are appropriate and consistent with industry practices. Our objective is to exclude or minimise the risk of a financial loss at a reasonable cost. Certain categories of disasters are not insurable at a reasonable cost.

We could be subject to risks in the following areas: Losses that might be beyond the limits, or outside the scope, of coverage of our insurance; inability to maintain adequate insurance coverage on commercially reasonable terms in the future.

Our corporate social responsibility platform


ADANI VIDYA MANDIR

Walking together with community

After more than two decades of creating opportunities for the marginalised underprivileged, the focus has turned towards sustaining the impact of community efforts across the country. The bottom-up tactical approach is applied i.e., all programmes originate from the engagement of CSR teams within the community. Community engagement focuses on the marginalised and vulnerable communities like fisher-folk, farmers, women, children, widows and the differently abled.

The Company has mapped its stakeholders and has a systematic stakeholder engagement process. The Company has identified disadvantaged, vulnerable and marginalised stakeholders. The Company, through its social arm Adani Foundation, works for the development of the identified stakeholder group. This marginalised cluster consists of different segments of population in different areas, e.g. fisher folk in coastal areas like Mundra, Vizhinjam and Dhamra. They receive attention not only in development inputs but also towards ensuring their vitality in local culture and heritage. Women constitute a major target segment around whom Adani Foundation (AF) has developed unique programmes.

AF is the CSR arm of Adani Group. Established in 1996, Foundation aligns its mission with the group philosophy of Growth with Goodness. Adani Foundation is committed to the cause of the marginalised with a multi-faceted approach. **The Foundation's reach covers 3.67 million people in 2,410 villages in 18 States across India.** Adani Foundation has operational and functional structures in place. At various strategic project locations across India, the organisation has deployed human resources and operational infrastructure for efficient functioning. In addition, partnerships and collaborations with organisations of relevant expertise include government departments and institutions, non-government think-tanks, agencies and community-based knowledge, among others, are also explored.

APSEZ CSR efforts are aligned with Sustainable Development Goals (SDGs). This fittingly addresses topical needs, such as generating livelihoods and mitigating poverty, while bringing universal perspectives like Human Rights and Rights of Indigenous People into focus. As a result, we incorporate the three P's – Planet, People and Prosperity - in our programmes.

APSEZ contributes to the inclusive growth of communities, more so in the areas where it operates. It is committed towards building integrated systems to share prosperity with people and society at large. The Company has been promoting CSR activities in its operational areas through Adani Foundation. To ensure holistic development of every member in society, the Company supports Adani Foundation's initiatives in education, community health, sustainable livelihoods development and community infrastructure development.

In March 2020, the outbreak of the coronavirus pandemic marked an unprecedented moment in modern history. As India took decisive steps to contain, test and treat COVID-19 in a proactive manner, Adani Foundation aligned its foot soldiers around energy and empathy. In such situations, employee volunteers met challenges while the Foundation provided necessary financial support. We have undertaken a full range of ameliorative activities with empathy and energy. As the situation continues to evolve, CSR activities are pivoting their everyday processes, building response mechanisms as well as helping to build a resilient and inclusive society. APSEZ supported various initiatives of the Foundation at various locations.

APSEZ's Sustainability and CSR Committee provides strategic direction based on the CSR policy of the Company. Community members are included in the process of need assessment, inception, execution and utilisation of services related to any development initiative. In addition, efforts are made to involve relevant government agencies and suitable non-government organisations. This inclusive approach makes our initiatives sustainable and easily adopted by the community.

Our community activities are mainly aligned around education, health, sustainable livelihoods (including skill development), community infrastructure and other/special initiatives (miscellaneous)

Education

Adani Foundation designs and implements transformative programs for all communities in its influence areas. In this regard, the Company and Adani Foundation view education as the major driver of sustainable and holistic development. The 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 as well as subsidised schools across India. Many smart learning programs as well as projects to adopt government schools are being run in remote areas to ensure the realisation of student potential. It also aids Anganwadis by creating a fun-filled environment for children. The replicability and scalability of these educational models are ensuring that more children move towards a bright future. In this regard, the Adani Foundation is implementing the following initiatives:

Adani Vidya Mandir

The Adani Vidya Mandir, currently operational in Ahmedabad (Gujarat), Bhadreshwar (Kutch, Gujarat) and Surguja (Chhattisgarh) provide cost-free quality education to more than 3000 meritorious students from economically weaker sections. The schools provide students with uniforms, books and stationery. Handpicked staff and their training ensure the holistic development of student. The AVMs adhere to the Adani School Manual aligned with NABET (under QCI) standards, helping measure and deliver quality school governance, academic excellence and stakeholders' satisfaction. The Adani Vidya Mandir in Bhadreshwar caters to children from the fisher-folk settlements and neighbouring villages.

During the pandemic, the AVM teachers and students adapted to virtual classrooms. Students, who could not participate in the online classes due to their challenging situations, were not excluded. In Bhadreshwar, the designated village coordinators, majority being AVM teachers, visited students' homes weekly and provided customised self-learning modules. Despite being away from the school environment, the quest for imparting quality and value-based primary education continued.

3000
Meritorious students from economically weaker sections were supported

Adani Schools

Adani Foundation provides subsidised quality education to more than 3200 students through the Adani Public School in Mundra, Gujarat, Adani DAV School in Dhamra, Odisha, and Navchetan Vidyalaya in Junagam, Surat district, Gujarat.

Adani Public School, Mundra is accredited by NABET under Quality Council of India, thus making it the first school in Saurashtra and Kutch region to achieve this fete. Grateful Alumni – Doctors, Engineers, Merchant Navy Officers, 'Sarpanchs', Teachers, Businessmen, Technocrats, and many more have become responsible citisens and successful humans.

Adani DAV School, Dhamra, Odisha, affiliated to CBSE, New Delhi, is run by the Adani Foundation in collaboration with the DAV College Trust. The school, started in 2012 with just 80 students, has 494 students.

Navchetan Vidhyalay Junagam is a Gujarati medium and GSEB-affiliated primary school approved by DPEO, Gujarat. It provides quality education to children from rural areas and since 2014, has been sponsored and managed (academically and administratively) by Adani Foundation. In 2020- 21, 422 children were studying in this school. Over the years, after the Foundation assumed control, student dropout ratio declined from 6.13% to 1.50%.

3200 The number of students provided subsidised quality education by Adani Foundation

Utthan

Launched in July 2018, Project Utthan, in collaboration with the district administration in Mundra, adopts government schools. It strengthens foundational literacy and numeracy by tutoring priya vidyarthis (progressive learners), arresting dropout rates, providing infrastructural support and collaborating for staff's capacity building. A local government school is a child's best bet to enrol for schooling and Adani Foundation's aim is to enhance this experience. With support from supplementary teachers called Utthan Sahayaks and by creating joyful learning spaces with adequate resources and facilities, the Foundation is committed to the cause of all-round student development.

The project was started on a pilot basis in Mundra (Kutch); it now has 2,098 students across 17 schools. It is functional in Hazira (1,394 students across 10 schools) and Dhamra (2,291 students across 46 schools/ anganwadis). Other than port locations, the programme is also being replicated in Nakhatrana (1,160 students across eight schools) and Surguja (47 students across two schools).

Amidst the pandemic induced restrictions, the project continued to reach the beneficiaries – first digitally and then through a combination of online and in-person learning – ensuring that the gains made in bringing progressive learners up to speed were not reversed.

A series of virtual activities and competitions were conducted for students like essay writing, Ganpati idol making, doha recitation, garba decoration, Christmas and Makar Sankranti celebrations etc. in which 4,900 students participated. In the regular online mothers' meets more than 500 mothers attended. Capacity building of 183 Utthan Sahayaks was conducted digitally through the months.

As 30% of students were unable to learn online, Utthan Sahayaks reached the doorsteps of priya vidyarthis once it was safe to do so. The home-based learning model, while maintaining safety protocols and due social distancing, has now become an accepted and sustainable solution. This has helped more than 700 beneficiary students (progressive learners) and 600 other children living in nearby areas to continue learning. In FY 2020-21, solar panels were installed in 17 Utthan schools in Mundra.

2,098 Project Utthan has 2,098 students across 17 schools

Facilitating National Scholarship and Jawahar Navodaya Vidyalay Entrance coaching

Adani Foundation provided support to students for enrolling in National Means-Cum-Merit Scholarship (NMMS) and Jawahar Navodaya Vidyalay (JNV) Entrance Examinations in Hazira. NMMS is a sponsored scholarship scheme implemented by the Ministry of Human Resource Development, encouraging students to continue their studies at the secondary level by offering a scholarship amount of ₹12,000 per annum. The Foundation is supporting the economically weaker and higher scholar students to enrol for it and has also provided study materials to 354 enrolled students in Choryasi, Olpad block and Surat Municipal Corporation School.

The Foundation has helped students enrol for Javahar Navodaya Vidyalay Entrance Exam (JNV-EE) 2020-21 – 74 students from the Hazira coastal area are preparing for the same. JNV offers admission in Class-VI on merit basis after conducting the entrance examination (JNV-EE) every year. The Foundation teams have prepared training videos and worksheets, and provided notebooks, pen and question banks. Weekly follow-up sessions and mock-tests are conducted. It also supported 940 other JNV-enrolled students of Valod, Dolwan, Songadh and Uchchhal blocks by providing software and study materials.

Bicycle distribution: In the CSR intervention areas of Kattupalli port, children passing middle school faced poor transportation facilities to attend school. To help students in overcoming this obstacle, the distribution of bicycles was done for ninth standard students. This not only eliminated a reason why many students missed classes but also motivated them to engage in extra-curricular activities. A total of 300 bicycles was distributed in Kattupalli, Thiruvellavoyal, Kattur, KoraiKuppam, Pulicat and Thangal Perumbulam.

Facilitating joyful learning amidst the pandemic

During the COVID-19-induced lockdown and other restrictions, schools were closed. Adani Foundation in Kattupalli organised joyful learning sessions in agrarian and fishing hamlets. These sessions covered indoor games, arts and craftwork, moral stories, fun mathematics and general knowledge sessions. Some 250 students benefited through eight sessions.

Merit-based scholarships in 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 provided merit-cum-means scholarship to 20 students worth ₹4.8 lakh in Dhamra. Started in 2009, this programme extended scholarship grant to 235 students from 10 vernacular medium high schools under Odisha Board of Secondary Education for pursuing 10+2 worth ₹9.96 lakh.

Setting up school libraries in Dhamra

Adani Foundation supported the setting up and renovation of nine libraries. Though the schools were closed, the school staff ensured that students borrowed books. Similarly, plans are underway to set up seven libraries this year.

Udaan

The Udaan project is geared towards motivating the students of our country and encouraging the entrepreneurial spirit in their lives. It is a learning-based initiative focusing on UN's fourth Sustainable Development Goal - Quality Education. The project hopes to inspire students into becoming leading visionaries and entrepreneurs of the nation. Since 2010, an impressive 3.48 lakh students (all over India) and participants from more than 5200 institutions visited business locations in Mundra, Hazira, Tiroda, Kawai, Dhamra and Udupi.

Community health

Adani Foundation regards healthcare as a basic human right. Bringing healthcare to the remotest regions, Adani Foundation's key focus is improving access to quality preventive and curative services for people belonging to weaker sections. It runs Mobile Health Care Units (MHCUs) across the nation, hospitals and rural clinics; it organises general and specialised health camps. Considering the pandemic, the Foundation worked to safeguard frontline responders and supply life-saving medical equipment.

COVID-19 relief

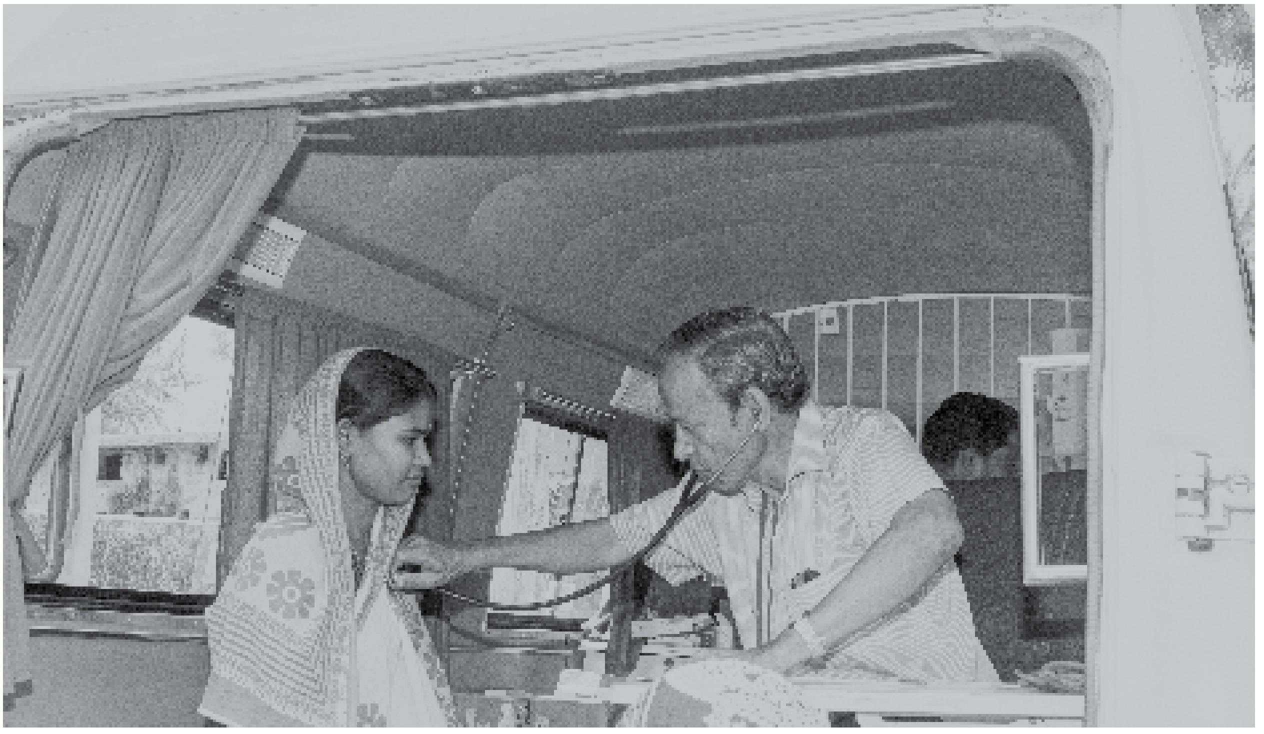
The Foundation was committed to immediate relief work, while working in line with the requirements of the government, health agencies, district administration and most importantly, community members. It sanitised villages, provided ration and food packet support as well as distributed face masks made by the Adani Foundation run self-help groups. That apart, the Foundation made financial donations and donated 10,000 PPE kits to the Government of India. PPEs, N95 masks and 100 ventilators were provided to the Ahmedabad Municipal Corporation. Personal protection kits were provided for the healthcare workers and doctors at the SVP Hospital in Ahmedabad.

GAIMS

Adani Foundation seeks partnerships with government agencies and civil society formations. Gujarat Adani Institute of Medical Sciences (GAIMS) is the first Public-Private-Partnership (PPP) endeavour 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.

During the coronavirus crisis, G.K.General Hospital became a designated treatment centre, procuring essential equipment like ICUs, ventilators, extra beds etc. to improve health care accessibility for the people of Kutch.

Health cards & camps



The Vadil Swasthya Yojana (Senior Citizen Health Programme) benefits senior citizens from socio-economically marginalised sections. Those with a family income of less than ₹2 lakh per annum are provided green cards to avail free healthcare services amounting to ₹50,000 for three years while those with family incomes of more than ₹2 lakh per annum are given blue cards to avail healthcare services at the Adani Hospitals at subsidised rates.

Various health camps are organised at regular intervals, which are seasonal/need-based to meet the specific needs of the community – camps for gynaecology checks, blood donation, eye checks, awareness about government schemes etc – to deliver medical services to remote areas. About 20,657 patients are treated at the camps annually, on an average. Special health camps for the elderly population were held in Mundra and Dhamra, which benefitted 1,297 people. A total of 59 seasonal/need-based health camps were organised in which 7497 consultations were provided.

Rural clinics & mobile healthcare units

There are 11 rural clinics run at various locations, which have provided timely services to 15,797 patients. The foundation also operates Mobile Health Care Units (MHCU), providing on-the-spot medical assistance to the patients in regions where medical facility is not available. The mobile health care unit service helps reduce travel time, hardship and expenses, covering villages and fishermen settlements. This service is a boon for women, elderly and children as its provides a doorstep service.

It provides primary medication, diagnostic facilities, medicines, free consultation and referrals by certified doctors. At present, three MHCUs in port locations provided 68,918 treatments. On an average, 15 MHCUs provide 4 lakh treatments annually.

The Adani Foundation-run mobile healthcare units provide consultation services and medicines to people at their doorsteps, tending to other ailments and diseases amidst the pandemic.

Adani Hospital

While the rural clinics, health camps and mobile healthcare units reach people in remote areas, those requiring tests, treatment and care are referred to a more equipped healthcare establishment. The Adani Hospital is a 100-bed secondary care hospital catering to the healthcare needs of the local population of Mundra and neighbouring areas. Under the umbrella of Adani Foundation, it is committed towards grooming skilled medical professionals and providing quality clinical services to the common man at economical rates and even those with health cards. During the reporting period, the hospital provided 20,959 OPD services and 772 IPD interventions.

Dhamra Wellness Centre

The Dhamra Port Wellness Centre started operations from December 08, 2019, located in a strategic place to cover the villages of Dosinga, Koithkhola, Karanjmal, Bansada, Jagula and Dhamra GP out of the eight periphery GPs of Adani Dhamra Port vicinity. Running in a partnership mode with HelpAge India, the Centre provides basic health care and referral services to people residing in these inaccessible areas deprived of basic health services. It also extends the first aid services to road accident victims considering its location on the road between Dhamra and Koithkhola leading to Bhadrak. During the reporting period, the wellness centre provided health care services to 12,289 people (6,574 males and 5,715 females). Considering the pandemic, an in-house awareness programme among visiting patients and villagers was undertaken.

Project Swasthya in Dahej

Adani Foundation supported Primary Health Centre (PHC), Dahej, with HbA1C Analyser, bio chemistry analyser and multi diagnostic kits. Patients with complaints of hypertension and diabetes undergo different tests, treatment, counselling and follow up. People of nearby villages undergo tests for glucose, urea, cholesterol, creatinine, SGOT, SGPT, uric acid, Alkaline phosphate, HDL, Bilirubin, CRP and triglycerides at no cost.

Natural terafil water filter in Kattupalli

Water in Senghazhanirmedu colony village is available at 12 feet but is not potable due to a mix of soil in fine particles. People collect water from common open wells available within the hamlet. Around 170 families are living near Kosasthalaiyar River which is covered by mangrove forest. Locals store the water over night and use it for drinking and cooking, despite the presence of sediments and micro particles that are detrimental to health. The Adani Foundation identified natural terafil water filter as a cost effective and sustainable technology to address the prevailing quality issue in drinking water. 50 beneficiaries already received natural terafil water filter in phase-I with good results. Based on the impact, the remaining 120 families received the same benefit in FY 2020-21.

Medical support beyond treatment of ailments

Adani Foundation believes in adopting a holistic approach towards healthcare, which includes treatment of diseases, awareness generation, material and financial support and linkages to available government schemes.

- In Kattupalli, Tamil Nadu, 20 persons were provided with hearing aid support.
- Vehicle support in Dahej for polio campaign, which helped reaching out to 2,417 children.
- In Mundra, six patients received dialysis support at G.K. General Hospital, Bhuj.
- To reduce water-borne disease and women's drudgery to fetch water from far-off areas, potable water was provided to the fisherfolk communities at different vasahats (settlements). In the reporting period, 676 families were supported by fulfilling 75,000 litres per day water requirement.

20,959

During the reporting period, Adani Hospital in Mundra provided 20,959 OPD services and 772 IPD interventions.

Sustainable livelihoods development

Adani Foundation's intervention to support sustainable livelihood generation is driven by the belief that a society made of empowered individuals with a decent standard of living leads to overall prosperity and development. The Foundation builds social capital by promoting self-help groups, enhancing agricultural practices and organising skill development training. Specific programmes are designed for fishermen communities, farmers and cattle owners, youth and women so that they can capitalise on their strengths and become self-reliant.

Vizmart

Interventions in agriculture

Agriculture represents the backbone of our economy and a major source of livelihood for rural populations. Adani Foundation works with farmers to upgrade their skills so that they can earn sustainably. The Foundation encourages the use of organic farming. With growing knowledge and better irrigation facilities supported by Adani Foundation, they can grow around three crops a year.

Mix cropping and cash cropping is becoming a practice among marginal farmers. For instance, in Dhamra, two farmers were able to get a grant of ₹3.79 lakh from Horticulture department, Government of Odisha under Integrated Farming Scheme (IFS). They were able to earn ₹1.2 lakh. Some 99 farmers in Dhamra adopted the paddy line transplanting method, which increased their yield by an average 35% and their income by around ₹15,000.

More farmers are shifting towards growing vegetables and fruits that optimise their land use and provide sustained income. In Mundra, the 'wadi' model of orchard growing is being adopted where two or more crops are grown to minimise biological and marketing risks. Some 34 farmers in Mundra's 16 villages are adopting the model by planting 60 different fruit plants in 0.5-acre land; a total 1700 plants were planted in 12 acres.

In addition, to preserve the only means of livelihood for majority of farmers belonging to Kutch, Adani Foundation supported 34 farmers with training and provision of 850 plants of 'Barahi' superior quality date palm variety, developed with mass multiplication (tissue culture) technique, which has good strength and productivity. Many of these have been transformed into model farms, implementing home biogas, kitchen gardens, drip irrigation and rainwater harvesting amongst many other good practices. The Foundation also promotes the plantation of palm trees on bunds of water bodies in Kattupalli.

Livestock programme

The livestock development project supported by Adani Foundation is being implemented in Dhamra, Dahej and Hazira. The objective of this project is to create supplementary incomes through animal livestock development. This is done by creating awareness among farmers about the socio-economic benefits by improving local animal breed, training them in the best animal husbandry practices, cattle development through breeding, fodder development, promoting vermicomposting as well as running vaccination camps, veterinary camps and mobile veterinary units. This enhanced the household incomes of many families. There were 6,846 families (approximately 31,400 beneficiaries) under the Pashudhan program during the reporting period. A total of 3,217 artificial inseminations were carried out and 1,296 calving were seen in Dahej, Hazira and Dhamra. More than 42,000 cattle received treatment through mobile veterinary units and camps. Vaccination and deworming camps as well as fodder cultivation camps were conducted in CSR intervention areas.

42,000

More than 42,000 cattle received treatment through mobile veterinary units and camps.

Mangrove biodiversity park

Industrial activities and logistics value chain with substantial spatial footprint impact biodiversity. The Adani Foundation's CSR efforts on biodiversity conservation around plant sites evidence of its commitment and sincerity. For example, in Mundra, Adani Foundation has taken programs for both coastal and terrestrial biodiversity by expansion of areas and enrichment of biodiversity spots.

A bio-diversity project to grow three mangrove spices, i.e., Rhizophora Mucronata, Ceripos Tagal and Ceriops Decandra is continuing at Luni Bandar. The mangrove biodiversity enrichment project in and around Adani Ports and Special Economic Zone aimed to introduce select mangrove species on a pilot scale in suitable coastal belts and assess their survival. With an aim to enhance the diversity of coastal region in Mundra, two bio-diversity parks have been developed – one on a five-acre land near Nandi Sarovar and another in Luni. This will increase the faunal diversity and fishery resources of the area by providing suitable habitats and breeding grounds with multi-species plantation on mangroves in a 10-hectare coastal land, widening alternative livelihoods for the fisher folk community.

Home biogas

Under the Gram Utthan Project, Adani Foundation is providing home biogas to farmers in Utthan villages. In the current year, the Foundation supported 117 home biogas units in the Dhrub, Zarpara and Navinal villages of Mundra. Home Biogas is an Israel-based Company that manufactures dynamic biogas units not only for farm waste but kitchen waste as well. This transition to renewable energy motivates families to use organic waste and reduce their dependence on chemical fertilisers, a relief from using charcoal and wood and helping enhance health and living conditions.

Vizmart

Women's empowerment translates to access to government programs, mobility outside the home, economic independence and purchasing power. Among unique initiatives undertaken by Adani Foundation to make women self-reliant is Vizmart in Vizhinjam, a market outlet with 16 small business units run by women from the community in the periphery of the port. The motive of Vizmart is to create a sustainable market for women self-help groups.

Further training, sourcing of products, branding support, bank linkages, product packaging, linkage with resources and markets were also provided by Adani Foundation.

Solid waste management (aerobins), Vizhinjam

The Environmental Impact Assessment study carried out by Government of Kerala through VISL (Vizhinjam International Seaport Ltd.) in 2013 highlighted that solid waste is increasingly becoming a socio-economic threat for communities in and around Vizhinjam. The Adani Foundation adopted a multi-pronged approach: it set up Thumboormozhi Aerobins as a facility for waste compost and enhanced awareness among waste generators on how to segregate waste and dispose scientifically through such facilities.

This yielded better results in the communities, wherein the waste from about 2,600 families was treated through Thumboormozhi. A total of 26 aerobins were installed, collecting 770 Kg waste per day. The cleaning campaigns were initiated at various locations, bringing about change in waste accumulation.

Project Swavlamban

Project Swavlamban was launched for linkages of differently abled people of Kutch district with Social Welfare Department. The Foundation is playing a supporting role to increase awareness and collaborate with Government schemes for Divyang (differently abled) people, widows and senior citizens. A total of 1576 beneficiaries benefitted from this initiative worth ₹24.1 lakh.

Support to fisher-folk

Adani Foundation provided scholarships to encourage 59 children from fisher-folk families in Mundra to pursue higher studies. Under this program, Adani Foundation provided 100% fee support to girls and 80% fee support to boys as scholarship. In a similar bid, 37 fisher-folk children were provided transportation support so that they could commute to school. Some 55 Higher secondary children (standard 9 to 12) were provided books support, five children were provided cycles and more than 442 children participated in Ramotsav – a sporting event that promoted awareness on holistic primary education. The Foundation provided soft skills and technical training as well as placement support to 70 fisher-folk youth so that they generate alternative livelihoods.

Support to women's SHGs

Empowered women and girls contribute to the health and productivity of their families, communities, and countries, creating a ripple effect that benefits everyone. The Adani Foundation recognises this and as part of sustainable livelihoods development, it facilitates several women's self-help groups (SHG). In Mundra, 11 SHGs are benefitting 127 women engaged in making sanitary napkins, FSSAI certified dry snacks, making phenyl and washing powder etc. In Hazira, four SHGs are helping 43 women who are engaged in similar home-based enterprises to make masalas, pickles, papad, snacks etc. In Dahej, three SHGs are being run to benefit 33 women by training them and providing material support. They are engaged in vermicomposting, making snacks and cloth masks/ bags etc. Similarly, in Dhamra, Odisha, four SHGs are in action, employing 72 women who are engaged in mushroom cultivation.

These SHGs help unorganised SHG members establish women producers' groups and increase incomes. It links SHG producer groups to government schemes for sustainable engagement, production and incomes.

Community infrastructure development

The quality of community infrastructure bears a direct impact on the standard of living of its people. Access to resources, increase in the avenues for developing livelihoods, safe and clean sources of drinking water, and access to qualitative primary health care systems lead to better productivity, reduction in morbidity and adequate employment. Recognising this, the Foundation endeavours to make its activities more need-specific and responsive to grassroot requirements.

Adani Foundation facilitates small-scale basic structures, technical facilities and systems built at the community level critical for the sustenance of lives and livelihoods.

In **Mundra**, it carried out bund strengthening at Zarpara, open shed Sukhpurvah construction, approach road restoration at all fisher-folk settlements and garden development in the primary school of Rampar village.

In **Dahej,** 1500 students of Uttar Buniyadi Vidyalaya, Thava, and Ashramshala, Thava, will be benefitted through the developmental works. In other instances, it constructed bus stand at Jageshwar, Community Hall at Ambheta, a shed at Naginagari and one pond front development.

In **Hazira,** it carried out pond deepening at Damka village, supported building of a school at Junapura and construction of staircase facility at Navchetan Vidhyalay Primary wing in Junagam.

In **Dhamra,** three concrete/rigid pavements were constructed to improve access to and from the various facilities in areas where it was a requirement. Further, 24 hand pumps were installed in the port periphery and rail corridor which will benefit 9,600 persons directly and 28,800 people indirectly. One community toilet was constructed at Moharampur GP to promote safe hygiene practice amongst villagers.

Adani Foundation is supporting the Government of Odisha in strengthening the infrastructure under MO School Abhiyaan. As part of this, five classrooms are being constructed, four are being renovated and five girls' toilets are being built across 14 schools within the port and rail corridor vicinity. The Foundation is providing High Mast Light Support by completing 26 streetlights installation across a stretch of 1.5 km at Dosinga market from Dosinga Panchayat office to Pradyutnagar. This will be beneficial to shopkeepers, pedestrians and cyclists. It provided support for the construction of a mini stadium at Chandbali in collaboration with the District Sports Department.

In **Kattupalli,** the K.R. Palayam canal extends 1.5 km in length and 55 meter in width. Adani Foundation removed water weeds, cleared garbage along and removed silt for effective rainwater harvesting. After the monsoon of 2020, this restoration facilitated the irrigation of 100 acres of agriculture land in K.R. Palayam and increased the ground water table. Some 712 families benefited from the recharged ground water.

Adani Foundation engaged in active collaboration with beneficiaries and government bodies to implement techniques for the collection and storage of rainwater across locations. These are affordable, easily implementable and highly replicable techniques. The Foundation is promoting user efficiency through drip irrigation, providing support for the expansion of horticulture and encouraging reduced water intensity in agriculture by influencing cropping patterns. Some 51,753 beneficiaries will benefit from infrastructure development.

Nurturing communities through sports

Many sporting activities promoted the well-being of children and youth. In Dahej and Hazira, a cricket tournament was organised for rural youth in which 360 and 600 persons participated. Other activities in Dahej included an inter-school volleyball championship for girls and boys with three High Schools in which 42 girls and 98 boys participated and a sport event on Women's Day in which 158 women participated. In Dhamra, an inter-Gram Panchayat Volleyball Tournament was held in which 140 youth participated. The Foundation provided material support in the form of t-shirts, trousers, shoes, net, volleyball and trophies.

Nivar cyclone relief in Kattupalli

In India, floods and cyclones hit different areas with high frequency. As Cyclone Nivar wrought havoc in the coastal regions of Tamil Nadu, floods caused by the torrential rainfall surrounded fishing villages and Irular settlements. This affected the coastal areas of Tiruvallur district as rainwater entered homes and damaged properties. The socially backward Irular community was the worst affected. Food was distributed to 350 economically backward individuals in the flood-hit coastal areas. Some 200 Irular individuals from Kulathumedu village of Pulicat panchayat, 100 individuals from Senji Amman Nagar of Kottai Kuppam panchayat and 50 individuals from the Koraikkuppam fishing village of Thangal Perumbulam panchayat were shifted from unsafe homes and moved to Storm and Flood Relief Centers.

Citizen-led campaign in Kattupalli

The Adani Foundation trained identified community volunteers to become agents of change. The volunteers conducted awareness sessions on health, sanitation, kitchen gardens, livelihood development etc. They were involved in identifying local needs and priorities, facilitating effective communication on various developmental works that benefitted the community. Engaging community volunteers increased the ownership of programs starting from the mobilisation of fellow villagers and bringing community leadership into all projects designed for them. Around 15,000 local villagers were met through 709 meetings.

Adani Skill Development Centre

Adani Skill Development Centres, a not-for-profit venture, are India's first skill training centres to impart courses like 3D printing, simulator-based crane operator and welding through augmented reality-based simulators. The major areas in which ASDC imparts training are digital literacy, general duty assistants (GDA), self-employed tailoring and sewing, beauty therapist, pedicurist, manicurist and assistant. electrician in the IT, healthcare, apparel, beauty & wellness and construction sectors.

ASDC trained 68,149 people for various skills and generated 65% livelihood through 45 courses in 10 states. With India looking to revive its economy in the light of the COVID-19 crisis, optimal skilling is a priority. Adani Foundation widened its reach through digital means, running their courses online, resulting in a remarkable increase in the enrolment of students. For courses that include practical demonstrations and hands-on training, a semi-online route was charted in which some parts of courses were taught online while others were conducted practically.

ASDC is reviving handicrafts to preserve local culture. It played a crucial role in the revival of SUF and Namda handicrafts in Mundra under the programme called Aarambh by training women from the community. Marginalised groups like young, widowed women in Bhuj were trained in patient care and assistance (General Duty Assistant Course) and placed in reputed hospitals. It trained the handicapped (Divyang) and widows as well.

Case study : Promoting education through Project Utthan

Aligned to U.N. Sustainable Development Goals

Objective

- Enhancing teaching learning outcomes
- Empowering Priya Vidyarthis (progressive learners)
- Introducing English as the third language
- Ensuring student attendance
- Creating joyful 'learning spaces' and enhancing competitive spirit

Outreach of Project

Mundra
7 villages
17 schools
2411 students

Nakhatrana
7 villages
8 schools
1160 students

Hazira
10 villages
10 schools
1446 students

Dahej
12 villages
14 schools
3005 students

Surguja
2 villages
2 schools
47 students

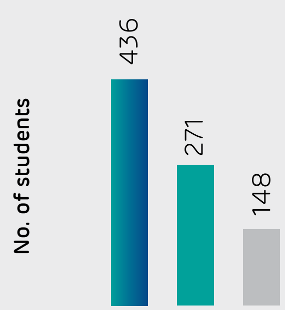
Dhamra
4 villages
46 schools/ Anganwadis
2291 students

Key features

A. Utthan Sahayaks: Catalysts and influencers

- A majority of Utthan Sahayaks are local residents exposed to quality education
- Dedicated Utthan Sahayak was appointed in each school as a mentor to priya vidyarthis (progressive learners) to work towards intellectual, physical, social and emotional growth.
- Focus was on ensuring regularity, facilitators in library, assembly and co-curricular activities

Learning outcomes



- Number of priya vidyarthis as per the result Gunotsav 2017
- Number of priya vidyarthis as per the report of Impact Assessment 2019
- Number of priya vidyarthis as per the internal assessment 2020

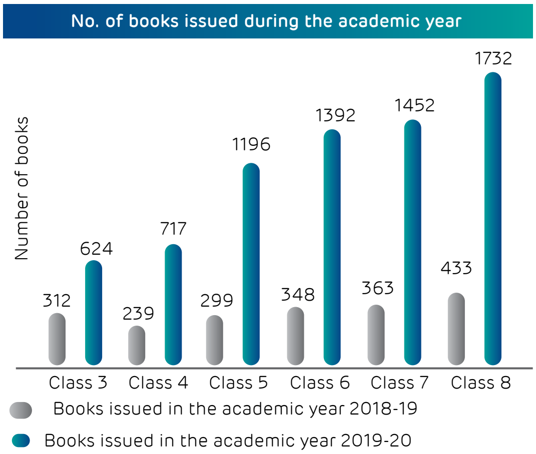
A. Introduced English as a third language

- A structured curriculum in primary classes (Class 1 to 4)
- Out of 1191 students from Class 1-4, 810 students became aware of alphabets and could differentiate capital and small letters (based on an assessment report by KSKV University)

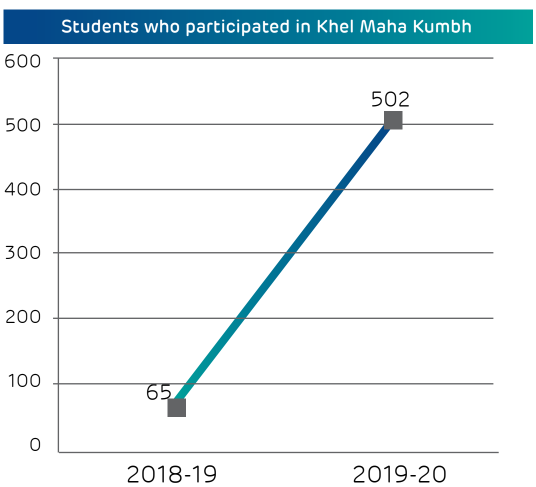
C. IT on wheels

- A customised curriculum provides basic computer knowledge to students of classes 4 to 8.
- Covered all 17 schools; dedicated 12 hours a month.
- Van with 40 laptops and two instructors facilitated outcomes

D. Reading corner



E. Promoting sports



F. Mothers' meets

- Ensuring maximum participation, sharing and solving concerns
- Making mothers the primary catalyst in children's education
- Improving regular school attendance

Impact assessment by Kutch University

- The reading and writing abilities of priya vidyarthis improved from below 30% to 61%; their numerical abilities improved from below 20% to 54%.
- The 'smart' classroom in each school made learning interactive, creative and effective, which reflected in exam results.
- 'IT on Wheels' in all schools with one dedicated van and two trained IT instructors plus 40 laptops helped develop IT skills from the elementary level.
- Participation in Khel Maha Kumbh increased from 65 students in FY 2018-19 to 502 students in FY 2019-20.
- Musical instruments were distributed across schools during morning prayer and cultural activities.
- Some 7113 books were issued in school libraries during FY 2019-20 as against 1194 in FY 2018-19.
- Science kits were provided to each school; students of the middle classes started preparing science-based models and a few were selected for taluka level science exhibitions in 2019.

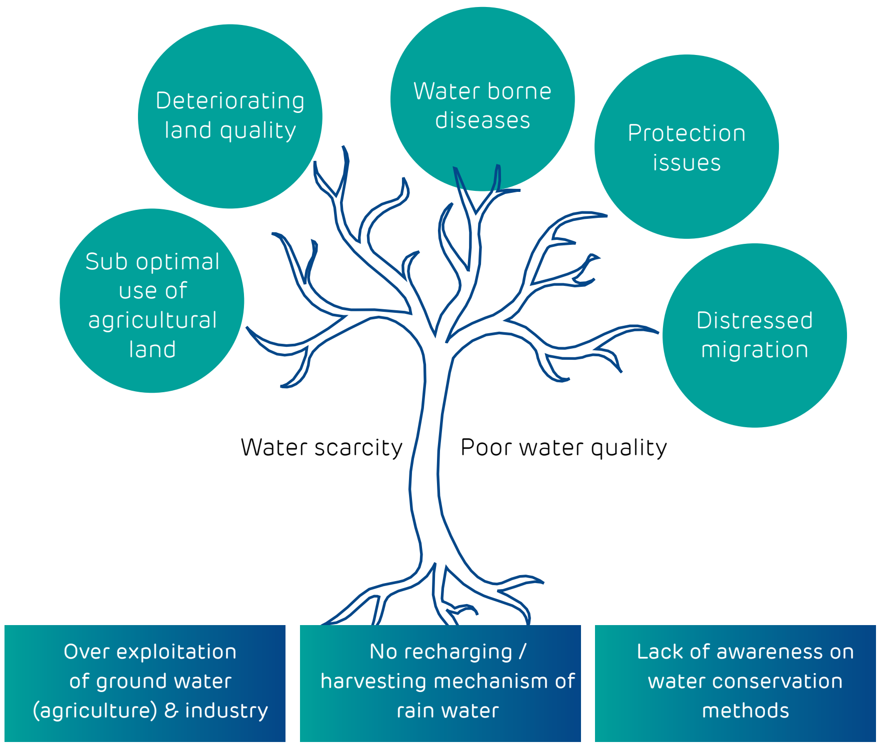
Case study: Water conservation and management at Project Swajal

Aligned to U.N. Sustainable Development Goals

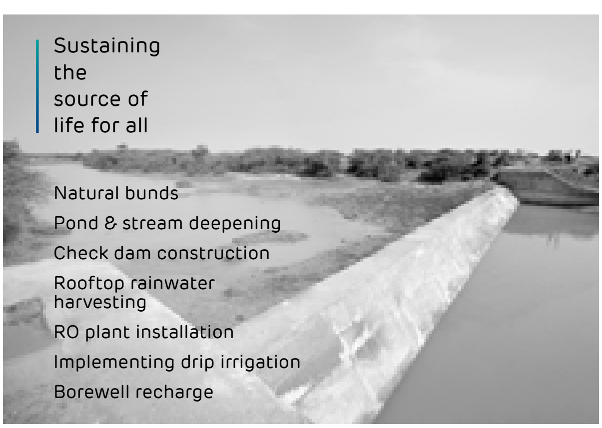
Backdrop

- Kutch, the largest district of Gujarat, is spread across 45,652 Sq KM on the western tip of India
- The district has 10 talukas, of which the major ones comprise Bhuj, Gandhidham, Mundra, Mandvi and Anjar
- Steady depletion of ground water and frequent droughts made it imperative for Adani Foundation to focus on water conservation
- The Foundation focused on creating a sustainable agriculture-based community.

Deciphering the Swajal Project



Intervention



Process

Stakeholder's participation
Foundation involved farmers, community members, Gram Panchayat and Govt. departments throughout the various phases of project cycle.

Decisions backed by scientific evidence
A thorough study of the topography & watershed delineation and primary water related data was gathered through experts with the involvement of the government to identify water bodies and the proposed project sites

Participatory Rural Appraisal Approach
Participatory Rural Appraisal approach backed by triangulated baseline assessment data was used to implement local solutions for resolving issues pertaining to water (quantity and quality)

21	52	75	31	75	75
CHECK DAMS 18 constructed and 3 repaired	PONDS Deepened	BOREWELLS Recharging facility constructed	WELLS Recharging facility constructed	ROOF WATER HARVESTING At household level constructed	DRIP IRRIGATION facility installed + 127 motivated

Outcomes

- Some 218,500 men, women, children and the elderly benefited
- Total dissolved solids (in the ground water declined 16.7%
- Ground water table rose 4.2 ft in five years
- In four villages, the water level increased 15-20 ft through a bore-well recharging facility
- Storage capacities of check dams and ponds increased by 106.44 MCFT
- The total area benefited comprised 2857 hectares
- Annually 10,000 litres of water was saved; up to ₹10,000 was saved per family.
- There was a 20% increase in the net irrigated area
- There was a 40% increase in agricultural yield and 20% rise in revenue
- There was an 80% reduction in the money spent on labourers
- Up to 20% less money was spent on electricity bills.
- Some 50% less water was used compared to conventional methods
- Potable water became available at the doorstep while earlier women walked 1.3 kms to fetch water.
- On an average, there was a 25% decrease in healthcare expense.

Note: Average savings per family annually*: average electricity charges ₹5600; increase in income due to increase in yield ₹77,000; savings on healthcare ₹2600; reduced expenses on account of buying water ₹5,760; reduced expenses on travel cost to buy water ₹10,200

Case study: Reviving ancient Namda Art

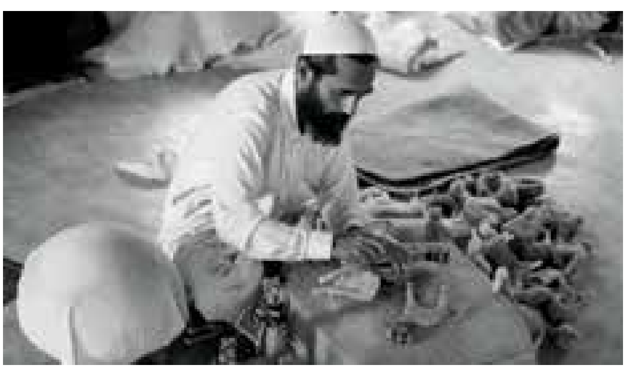
Aligned to Sustainable Development Goals

Namda Kala is an ancient art, older than spinning and weaving, used in the art of making felted floor coverings and paddings, and then embroidering the pieces with hand-dyed threads. The art was visibly prevalent since 1800s and in demand due to use by royal families and government bulk orders till the early 2000s. The art began to gradually decline due to new art forms but handful of artisans held on to their family tradition of Namda Kala. This is the story of one such adept artisan.

Karim Umar Mansuri is the only Namda artisan in Kutch Gujarat, a place where families were traditionally involved in animal husbandry, owning large herds of livestock. The art of crafting using sheep wool was handed down from fathers to sons. However, in a quickly modernising world, Karim struggled to survive in a dwindling market.

In 2017, Adani Foundation – the CSR arm of the Adani Group – reached out to Karim to help sustain Namda. Later that year, the Adani Group placed an order of 750 Namda camels, worth ₹5-5.5 lakh by bringing 30-35 artisans onboard. The Foundation provided infrastructure, trained people and developed linkages with professors and students from renowned design schools like NID and NIFT.

Through Adani Foundation's relentless drive and Karim's passion, the story of Namda Kala has now achieved international recognition. A closely guarded family secret, which was about to disappear due to few economic opportunities, is now a source of sustainable livelihood.




GOVERNANCE

How we have built a confidence-enhancing governance platform

Overview

At APSEZ, we believe that responsible governance represents the bedrock of enduring success.

This is more relevant in the ports and logistics business where the Company is required to interface with nation-influencing realities: economic growth, job creation, hinterland prosperity, environmental protection and rejuvenation, companies, communities and other stakeholders.

The Company's governance commitment comprises a comprehensive approach towards vision clarity, ethical practices, de-risking, processes, balancing stakeholder interests, performance (financial and operational), safety, environment respect, business transparency and shareholder reward.

Direction

At APSEZ, we believe that the best returns are generated in an environment where the corporate direction is aligned with the national direction. The Indian government intends to emerge as a USD 5 trillion economy by 2024, supported by reforms across sectors directed to enhance the ease of doing business, correct the national under-consumption across sectors, enhance incomes and strengthen prosperity.

Larger picture

At the core of our governance commitment resides a transparent enunciation of what we wish to become. APSEZ seeks to emerge as the largest and most sustainable port Company in the world by 2030, achieve 500 MMT of managed cargo by 2025 and the first company in the world to be carbon neutral for its port operations by 2025. The clarity of this overarching objective has been communicated to all our stakeholders, resulting in a shared vision at one end and a collective energy in proactive business building to reach that target on schedule.

Discipline

At the base of our governance pyramid is the discipline to keep doing things in the right way, however challenging or inconvenient it may be, convinced that eventually the gains will be disproportionately higher than all the investments of time, effort and funds. This discipline has helped the Company enhance systemic consistency and predictability through market realities, attracting similar-minded stakeholders.

Corporate Governance case study

The Company voluntarily adopted The Related Party Transaction Policy.

During the year under review, the management evaluated the opportunity within the Group for consolidating its rail track assets across the Group in one entity. The Company followed the policy for acquiring Sarguja Rail Corridor Private Limited (SRCPL).

As a first step, an Executive Committee (EC) consisting of three Independent Directors of APSEZ was formed, which evaluated the opportunity and submitted its recommendations to the Board. The Executive Committee was led by Mr. G. K Pillai, Chairman of the Audit committee and included Mr. P.S. Jayakumar, a former banker and Ms. Nirupama Rao, a former foreign secretary of India. The Executive Committee then appointed BDO Valuation Advisory LLP, registered valuer and Deutsche Equities India Private Limited as a second valuer to evaluate the opportunity and indicate a value and equity swap ratio for the transaction. It appointed JM Financial Limited and J. P. Morgan India Private Limited to provide a fairness opinion on the proposed transaction. For F&A due diligence on the target asset and providing RPT Policy compliance certificate, EY was appointed.

It reviewed the business case and, based on the recommendation of valuers, proposed their report to the Audit Committee, which, in turn, recommended the transaction to the Board. On March 03, 2021, the Board unanimously approved the proposal of acquisition of SRCPL by way of a merger of the parent of SRCPL with APSEZ. The same was disclosed to all investors and disclosures were made as per statutory requirements. The Company organised an analyst call coupled with a press/media release.

Long-term

At APSEZ, we have selected to build the business around long-term relevance. Even as we are building in, say, 2020, there is a commitment to build enduring national assets for the coming decades. This approach has influenced all the investments we have made in our assets, technologies, brands, people, locations, products and trade partners. This approach – expensive upfront but considerably low cost when seen from a long-term perspective - has translated into the highest standards of capital efficiency, generating superior margins and surpluses with a quicker payback.

Singular focus

At APSEZ, we believe that core competence represents the biggest insurance against cyclical downturns. In view of this, we have consciously not diluted corporate attention away from our focus area: we have selected to position ourselves not only as a port operations Company but as an integrated logistics organisation, providing customers with the option of a single-point solution. We believe that this focus will deepen competitiveness, the Company emerging as a global benchmark for complete efficiency (construction, operations, management and financing).

Knowledge and data-driven

At APSEZ, we are a knowledge and analytics-driven organisation. We have invested in aggregating some of the most competent professionals who have worked in large infrastructure organisations, possessing a rich experience in project management, commissioning and operations. Besides, the Company has invested in digitalisation with the forward-looking objective to accelerate processes, generating rich data (operations) resulting in an accurate understanding of ground realities on one hand and informed decision-making on the other.

Controlled growth

At APSEZ, we have selected to balance caution and aggression (strategic aggression and tactical conservatism), which is a relatively de-risked approach. As a part of this approach, we focus on capital investments generating an attractively short-term payback, maximising cash flows over mere paper profits and reinvestment into the business. We believe that this approach generates a critical mass of accruals that makes it possible to sustain subsequent growth rounds with owned capital around predictable revenues. In our business marked by a large potential, there is a priority in establishing a larger scale faster than competition. The Company's funding has been structured around debt at one of the lowest costs and longest repayment tenures within our sector, enhancing viability.

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 impact).

Board of Directors

At APSEZ, we believe that our strategic direction is largely influenced by our Board of Directors. In view of this, we have placed a premium on our Board composition, comprising of professionals of standing. These individuals have enriched our values, experience, multi-sectorial business understanding and strategic quality. We believe that our sustainable growth has been the result of the direction provided by the Board, an invaluable asset. The Board and its members review and approve APSEZ's policies, purpose, values, vision statements 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, and independent professionals to provide independent judgment on APSEZ's overall strategy and performance and comply to Securities and Exchange Board of India's (SEBI) listing requirements. As of March 31, 2021, our Board had three Executive or Whole-time Director, two Non- Independent Directors and five Independent Directors, meeting with the requirements of the Companies Act, 2013 and the Listing Regulations. Two of ten Board members are women. The Board is supported by Board Committees (Audit, Nomination and Remuneration, Stakeholders' Relationship, Sustainability & Corporate Social Responsibility and Risk Management).

As a step towards better governance practice, for the financial year ended March 31, 2021, the Board has 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 is the first independent Board evaluation. APSEZ intends to conduct these evaluations regularly.

Code of conduct and ethics framework

APSEZ is structured around a documented Code of Conduct that 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 respect for the individual, team or company. 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, anti-bribery, Code of Conduct and Ethics, Whistle blower mechanisms and Grievance redressal. We have not had any breach of our code of conduct (corruption and bribery) in our business including any legal proceedings to the same.

Benchmarks

At APSEZ, we believe that the level of excellence that we aspire to makes the difference between a good and great company. In view of this, we have created an organisation where 'good' is not good enough; we have invested in a culture of overarching excellence directed towards emerging as the global sectorial benchmark in terms of service and resource productivity leading to continuous cost management and sustainability across market cycles.

Process-driven

At APSEZ, we believe that growth can be best derived when the promoter charts out a strategic direction and delegates day-to-day management to professionals. To facilitate the reporting of periodic progress, the Company deepened its investment in processes and systems, especially information technology. We believe that this framework of processes represents a scalable foundation that will enable the Company to grow profitably, with optimum utilisation of human capital.

SUSTAINABILITY GOVERNANCE

Governance

Board Level
SCC + SRC + RMC

Corporate Level
SLC

Site Level
SSC

Board of Directors

- Executive Directors
- Non-Executive (Non-Independent) Directors
- Independent Directors

Approach to Corporate Governance

Business values and ethics

Code of Business Ethics
Board of Directors and Senior Management

Code of Conduct
Employees

Sets out the principles to be adhered by all

Policies at Business Level

Ensures meeting regulatory compliances, commitments and stakeholder expectations

Systems and Standard
Supported by manuals and SOPs

Internal requirements that guide day-to-day operations

Audit and compliance-driven

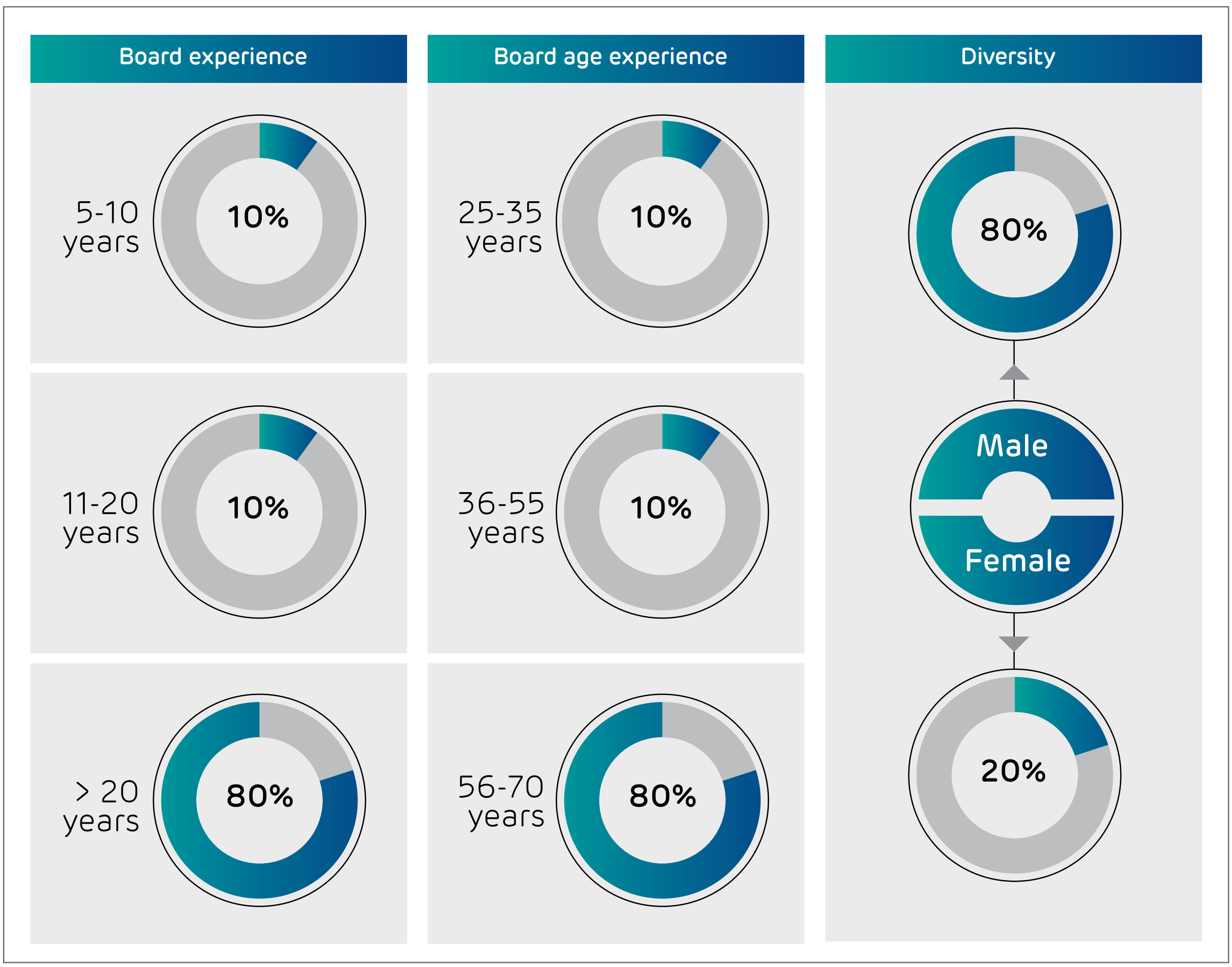
At APSEZ, we believe that business predictability and the absence of unforeseen systemic shocks are the result of a responsible system. In view of this, we strengthened an audit-driven and compliance-driven approach, enhancing the credibility of our reported numbers. The result of this high-review culture is that the Company has not incurred statutory penalties in its existence.

Focused responsibility

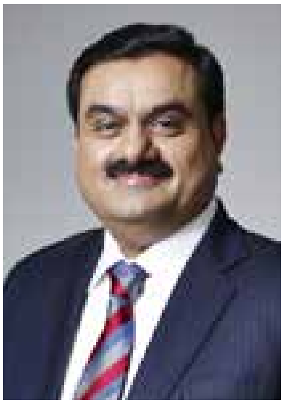
The Board of Directors has delegated to the Sustainability & CSR Committee (SCC) matters relating to sustainable management of the Company's activities. The SCC has oversight of all material sustainability topics which include climate, water, human rights, community etc. It addresses related risks and identifies opportunities as part of its overall responsibility towards sustainability strategy, policy, and environmental and social compliance. 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 APSEZ. SCC in conjunction with these committees performs stakeholder engagement and risk assessment on 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 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.

Sustainability Steering Committee (SSC) is a site-level committee, which ensures that every sustainability item gets operationalised at the respective site.



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

Whole-Time 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

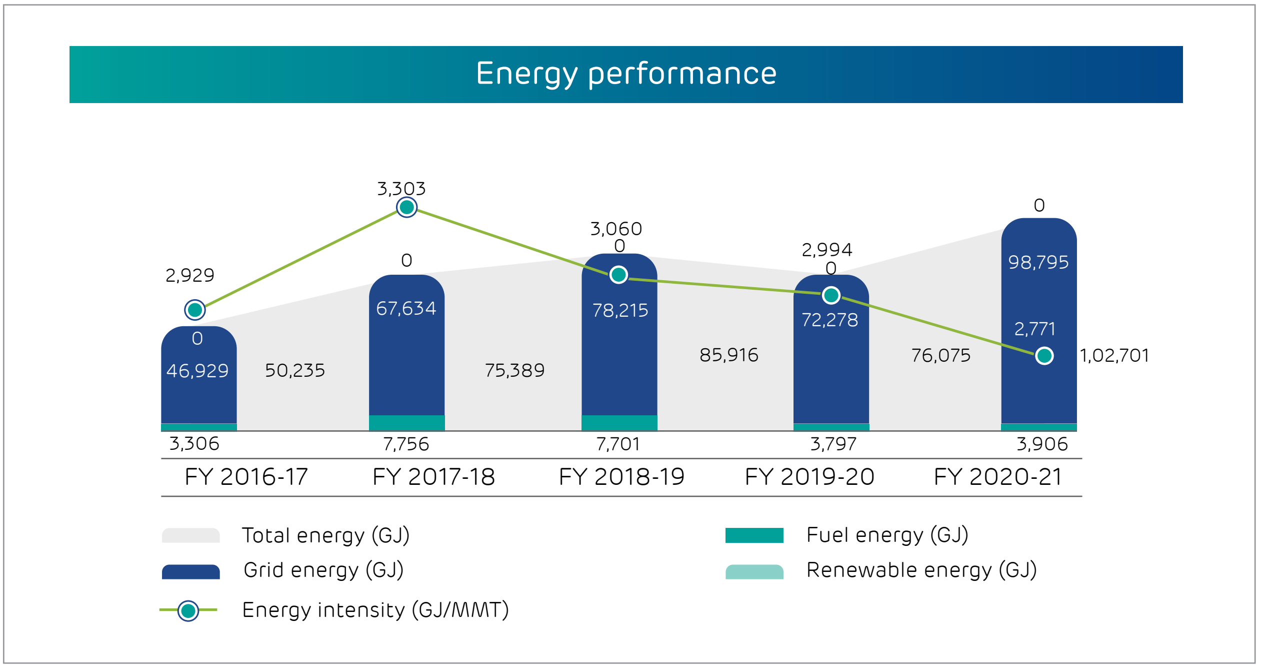
Independent and Non-Executive Director

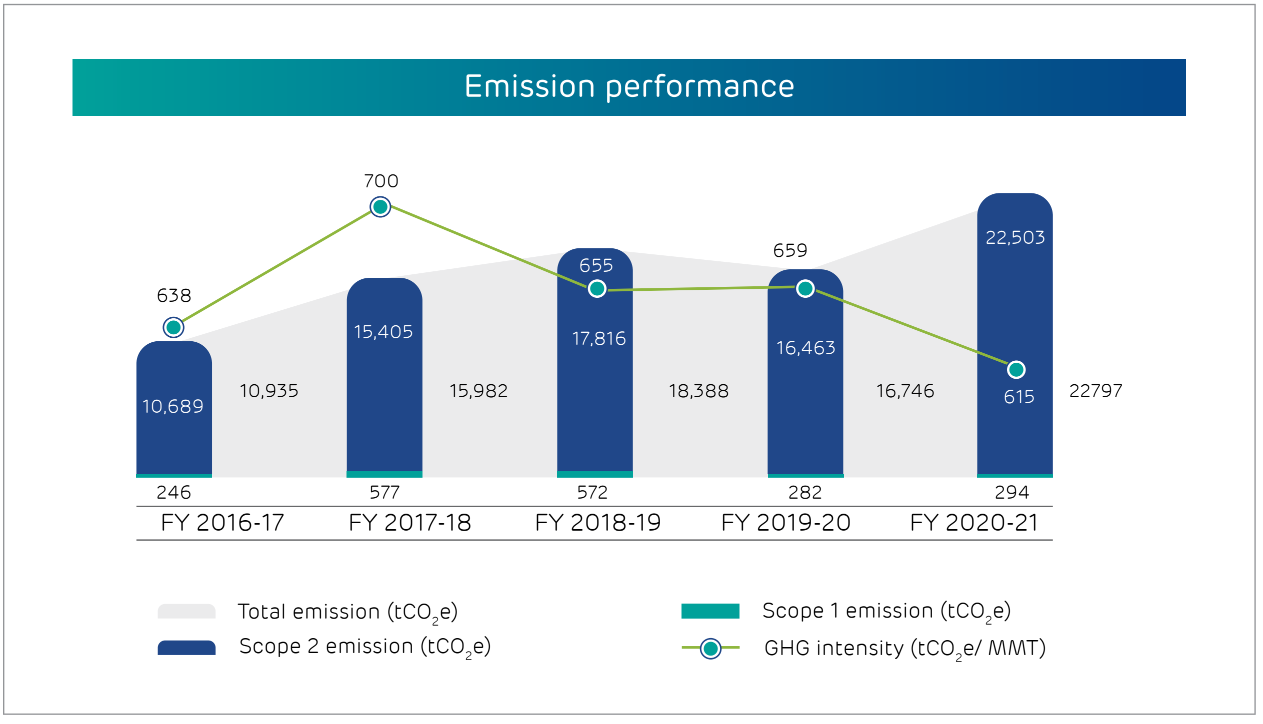
Mr. P. S. Jayakumar is a Chartered Accountant and holds a Post Graduate Diploma in Business Management from XLRI Jamshedpur. Mr. Jayakumar worked for 23 years in Citibank (India and Singapore offices) and his last assignment in Citibank was as Country Head for the Consumer Banking Group. In 2015, Mr. 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 marked by 34 years of work experience. Between 2008 and 2015, Mr. Jayakumar co-founded two companies to address the demand for affordable housing. Value Budget Housing, a residential housing construction company, has pioneered the use of manufacturing approach and application of form and IT technology in construction. His other company, HFFC, NSE-listed, provides innovative long-term mortgage loans to low- and moderate-income households. He is now working on his third start-up venture and serves on the Boards of companies as Independent Director. Besides VBHC, he is also Non-Executive Chairman for Northern Arc Capital Ltd, an NBFC focused on financial inclusion.

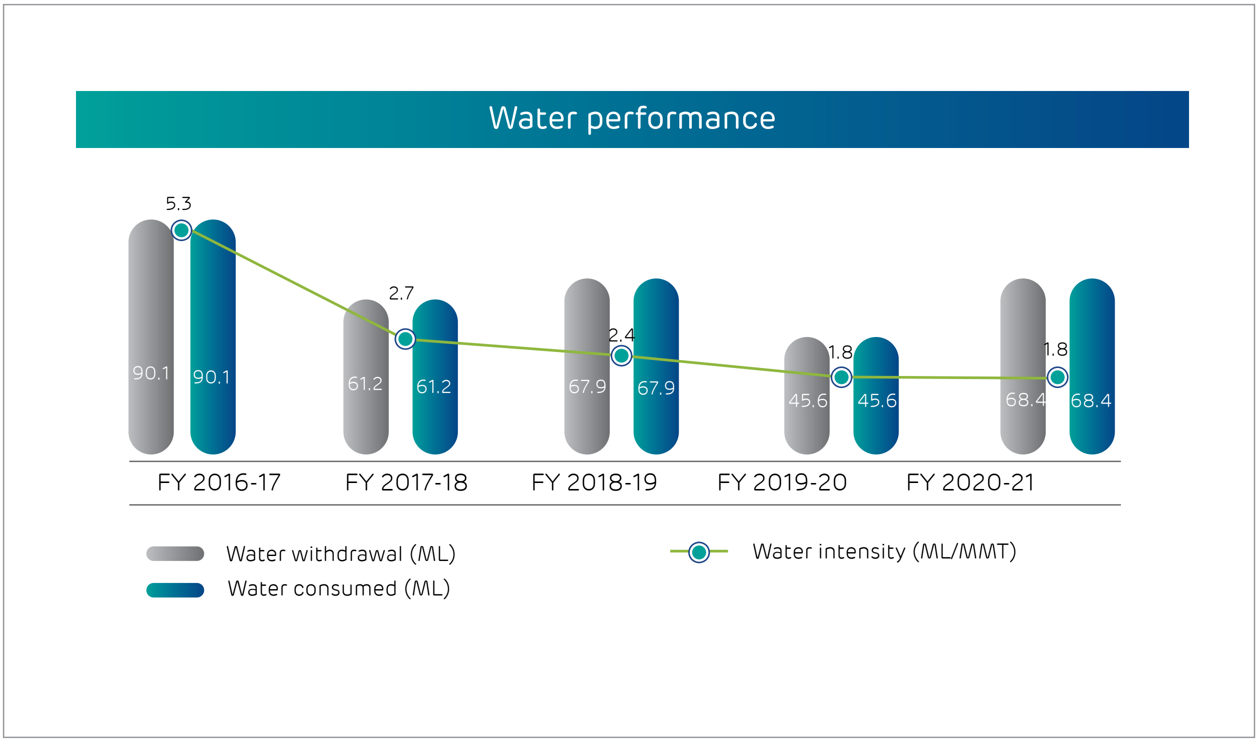
APSEZ's Joint Venture: Environmental performance

AICTPL (CT3) and ACMTPL (CT4) are two joint ventures at APSEZ, Mundra. The environmental performance of our joint ventures is provided below. These joint ventures are not a part of the ESG performance provided in this report, although Scope 1 & Scope 2 emissions of these entities are included in Scope 3 emissions of the Company under the 'investment' category.

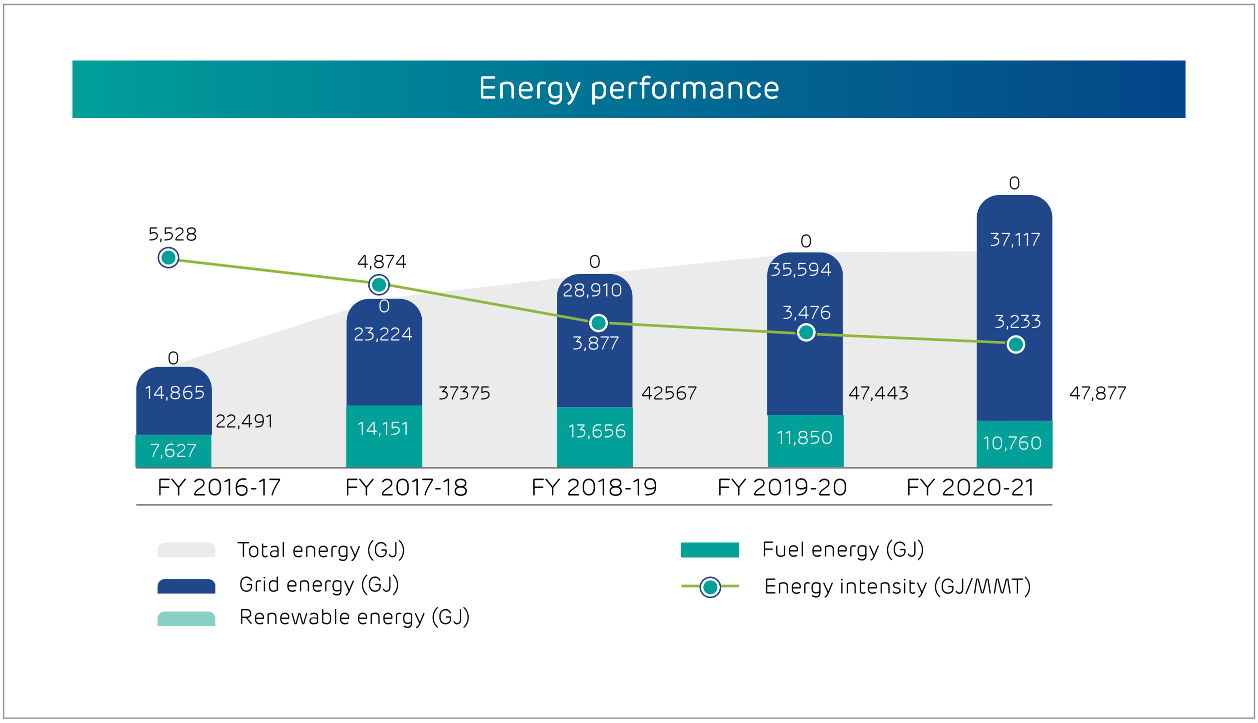
AICTPL (CT3)

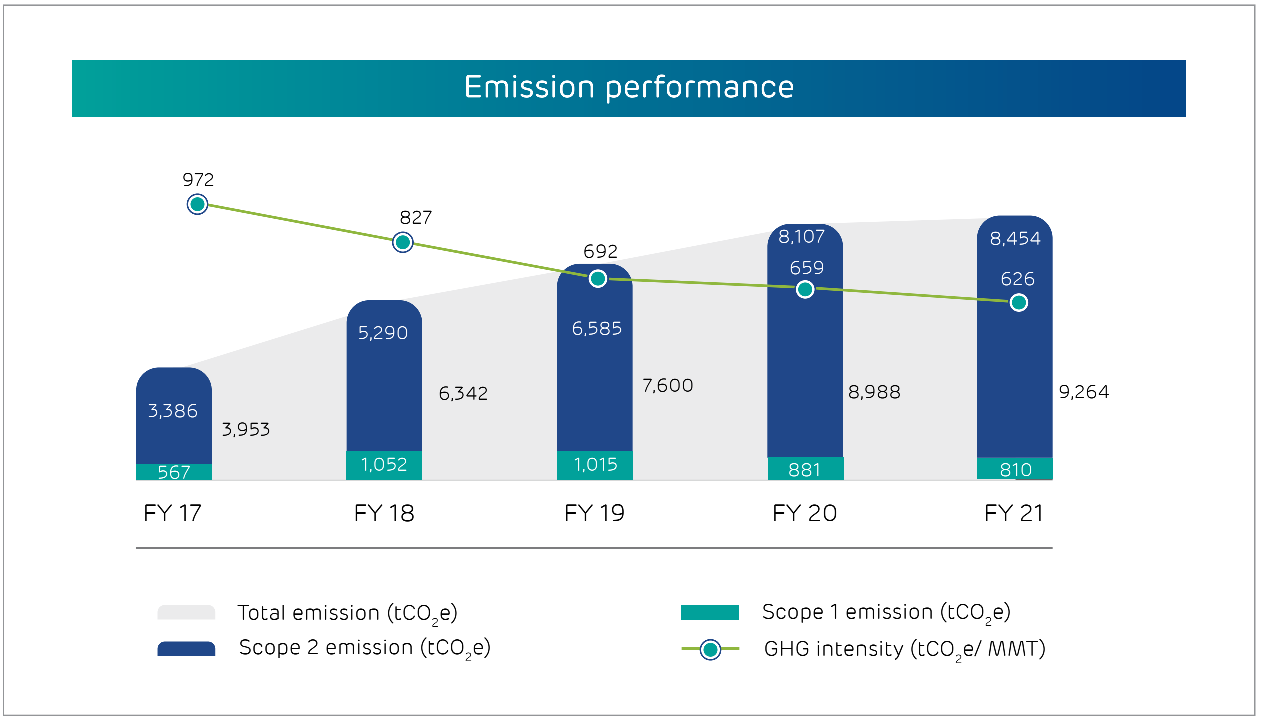


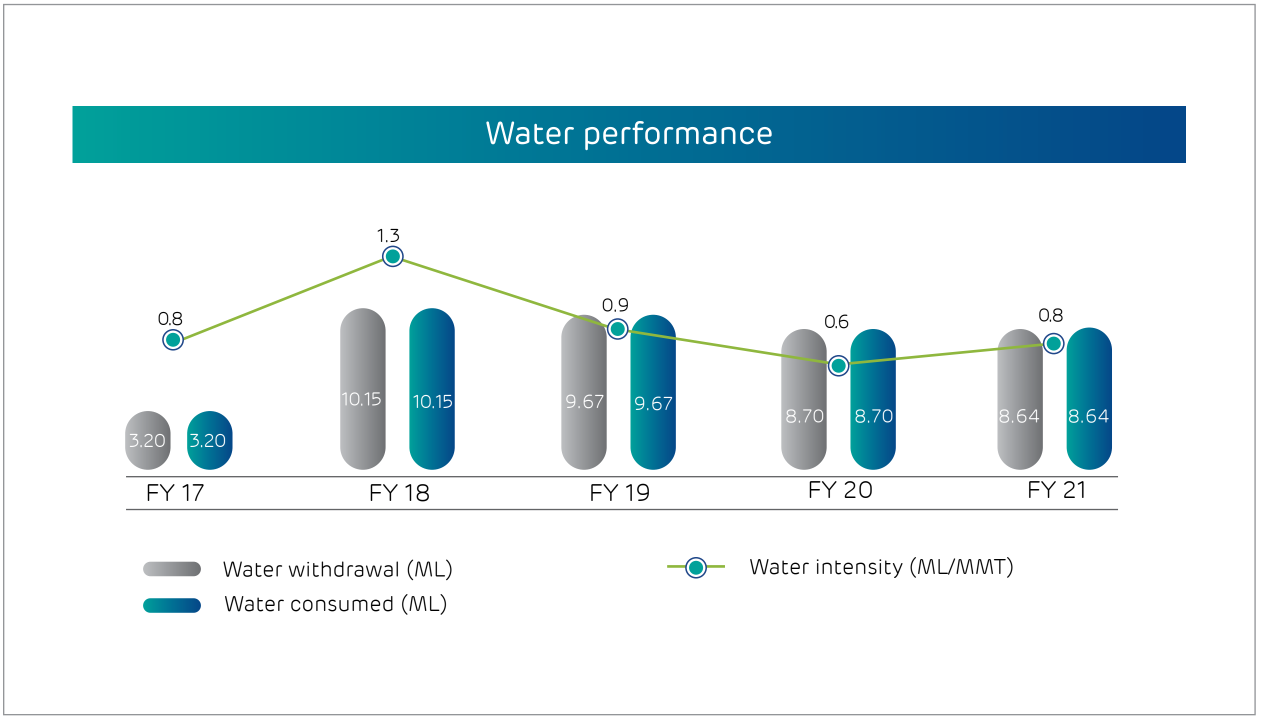


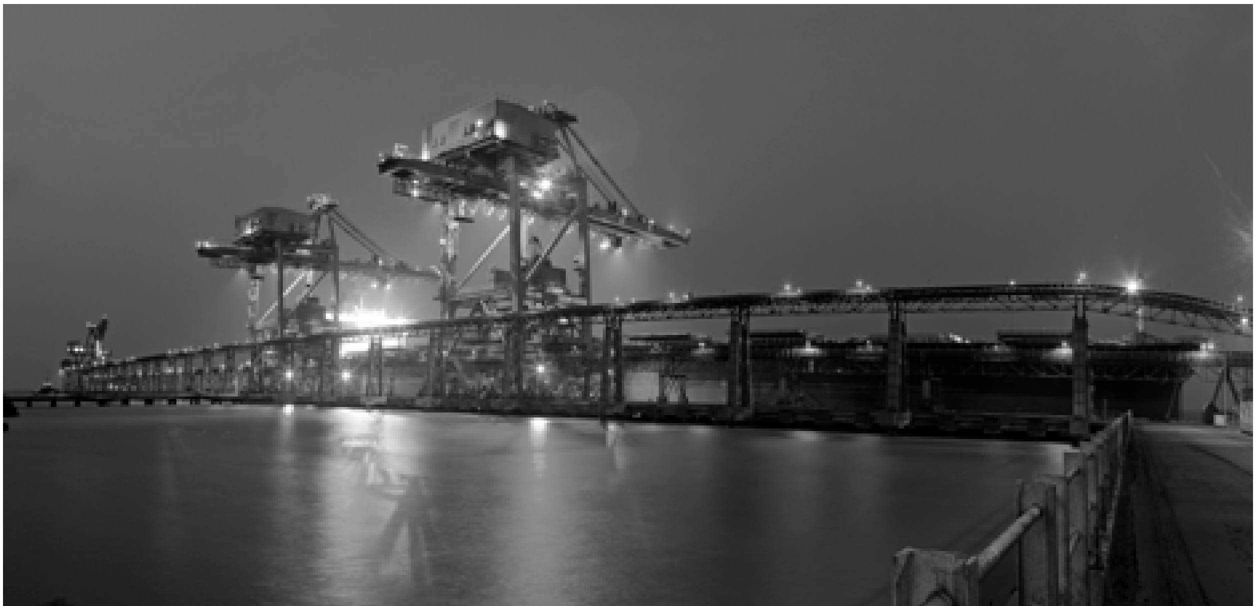

Water performance
5.3
2.7
2.4
1.8
1.8
90.1
90.1
61.2
61.2
67.9
67.9
45.6
45.6
68.4
68.4
FY 2016-17
FY 2017-18
FY 2018-19
FY 2019-20
FY 2020-21
Water withdrawal (ML)
Water consumed (ML)
Water intensity (ML/MMT)

ACMTPL (CT4)


Energy performance
5,528
4,874
0
0
0
0
0
14,865
22,491
7,627
23,224
37375
14,151
28,910
3,877
42567
13,656
35,594
3,476
47,443
11,850
37,117
3,233
47,877
10,760
FY 2016-17
FY 2017-18
FY 2018-19
FY 2019-20
FY 2020-21
Total energy (GJ)
Grid energy (GJ)
Renewable energy (GJ)
Fuel energy (GJ)
Energy intensity (GJ/MMT)


Emission performance
972
827
692
659
626
8,107
8,454
3,386
5,290
6,585
3,953
6,342
7,600
8,988
9,264
567
1,052
1,015
881
810
FY 17
FY 18
FY 19
FY 20
FY 21
Total emission (tCO_2e)
Scope 2 emission (tCO_2e)
Scope 1 emission (tCO_2e)
GHG intensity (tCO_2e/ MMT)


Water performance
0.8
1.3
0.9
0.6
0.8
3.20
3.20
10.15
10.15
9.67
9.67
8.70
8.70
8.64
8.64
FY 17
FY 18
FY 19
FY 20
FY 21
Water withdrawal (ML)
Water consumed (ML)
Water intensity (ML/MMT)



Management discussion & analysis

Company overview

Adani Ports and Special Economic Zone Limited is India's largest private integrated logistics company. Promoted by the esteemed Adani Group, the Company continues to strengthen its seamless integration of three verticals – ports, logistics and Special Economic Zones (SEZs). In a little more than two decades, it has built, acquired and developed an unparalleled portfolio of ports infrastructure and services across India. Currently, it has 12 strategically located ports and terminals — Mundra, Dahej, Tuna and Hazira in Gujarat, Dhamra in Odisha, Mormugao in Goa, Visakhapatnam and Krishnapatnam in Andhra Pradesh, Dighi in Maharashtra and Kattupalli and Ennore in Tamil Nadu — that represent 24% of the country's total port capacity, handling vast amounts of cargo from coastal areas and the vast hinterland. The Company is developing a transhipment port at Vizhinjam, Kerala.

The Company's vision is to emerge as the largest ports and logistics platform in the world in the next decade. With a vision to turn carbon neutral by 2025, APSEZ was the first Indian port and third in the world to sign up for Science Based Targets Initiative (SBTi), committing to emission reduction targets to control global warming at 1.5°C above pre-industrial levels.

Adani Logistics Limited (ALL), a wholly owned subsidiary, is the most diversified end-to-end logistic services provider in India with a presence across all major markets. The Company operates five logistics parks. When it comes to servicing core national priorities, APSEZ is prepared with scale, scope and speed.

Highlights of FY 2020-21

- Registered a cargo volume growth of 11% and achieved a throughput of 247 MMT.
- Reported cargo growth across all segments in all ports and regions; the rate of growth outpaced pan-India ports and other major ports.
- Completed the acquisition of a 75% stake in Krishnapatnam port and entered into a definitive agreement for the acquisition of the balance 25% stake.
- Completed the acquisition of 31.50% stake of Gangavaram Port Ltd. and entered into an agreement for the acquisition of 58.1% stake.
- Announced the intention

to construct 534,000 sq. ft. fulfilment centre in its upcoming logistics hub in Mumbai that will be leased to Flipkart to address the growing demand for e-commerce in Western India and support market access of several thousands of sellers and MSMEs in the region.

2. Economy review

2.1 Global economy

The global economy posted an estimated contraction of –3.3% in 2020 on the back of the COVID-19 pandemic. As per IMF World Economic Outlook (WEO) April-2021 release, the contraction in 2020 was 1.1% lower than IMF WEO's own estimate in October-2020, reflecting a higher-than-expected growth recovery in the second half of the year for most regions and economies as the unlock process started and adapted to new ways of working. However, economic activity remains below the pre-pandemic levels even as GDP contractions ease across major economies. Economic activity across major advanced economies and emerging market economies posted strong recovery in Q3 2020, following a global plunge in Q2 on account of pandemic-led lockdowns. However, some economies saw economic activity stalling in Q4 on account of a second round of infections with speedily communicable mutations of the virus. As the vaccination process set in Q3, high frequency indicators in Q1 2021 saw a recovery.

The US economy contracted 3.5% in 2020. There was a steady decline in the unemployment rate from a record April 2020. Labour market conditions, however, remained weak and fragile. High frequency indicators in Q1 2021 revealed a stabilisation as retail sales picked up sharply in January while PMI in March posted its strongest expansion in almost four decades. A fiscal stimulus of USD 1.9 trillion by the new administration boosted prospects for the US economy.

Euro area GDP declined 6.6% in 2020 even as Q4 of 2020 saw a complete loss of momentum gains made with a strong rebound in Q3. The emergence of the second wave of the mutated virus saw lockdowns and restrictions on movement being imposed across major constituent economies. Some EU countries saw the impact entrenched well into Q1 of 2021, resulting in weak consumer and business sentiments, declining retail sales in January and falling PMIs. In the UK with -9.8% growth in 2020, GDP did expand in H2 of 2020. However, as infections reached new peaks in Q1 2021, the economy experienced new headwinds as it went into its third nationwide lockdown in January 2021.

Japan posted a growth decline of -4.8% in 2020 even as growth in Q4 2020 expanded by 11.7% (q-o-q, SAAR), extending the third quarter's recovery on account of resilient trade conditions with a strong pick-up in exports and significant government spends. However, the third wave of COVID-19 infections and re-imposition of restrictions affected recovery as seen in retail momentum losses and industrial production in January and February 2021.

China continued to post an economic recovery for the third consecutive quarter in Q4 of 2020 and saw an overall 2.3% rise in growth in 2020, making it the only major economy to register growth in 2020. China's growth gains came from robust recovery in manufacturing and exports, aided by policy support measures even as domestic consumption continued to remain relatively weak.

Global trade recovered faster than expected from the deep contraction of Q2 of 2020 as emerging market economies witnessed strong trade demand and WTO's Goods Trade Barometer rebounded in Q4 of 2020. Momentum trends for H1 for 2021 are fluid and depend on key constituents like export orders and automotive products etc.

Outlook

IMF WEO April 2021 projects the global economy to grow 6% in 2021, moderating to 4.4% in 2022. Growth recovery across the globe is expected to experience tailwinds as additional fiscal support in key large economies and vaccination-led growth materialises in the second half of the year. Global trade in goods and services is projected to grow 8.4% and 6.5% in 2021 and 2022 following -8.5% contraction in 2020.

Because of an unprecedented policy response, conventional and unconventional, the COVID-19-led recession is likely to leave smaller scars than the global financial crisis in 2008. IMF's long-term outlook, however, suggests that some emerging market economies and developing countries have been hit harder and expected to suffer more significant medium-term losses.

6

% growth projected for the global economy in 2021

Source: IMF WEO

Global growth (%)

Particulars	Actual	Projections	
	2020	2021	2022
World output	-3.3	6.0	4.4
Advanced economies	-4.7	5.1	3.6
US	-3.5	6.4	3.5
Euro area	-6.6	4.4	3.8
Japan	-4.8	3.3	2.5
UK	-9.9	5.3	5.1
Other advanced economies	-2.1	4.4	3.4
Emerging markets and developing economies	-2.2	6.7	5.0
China	2.3	8.4	5.6
India	-8.0 Est.	12.5	6.9

Source: IMF

2.2 Indian economy
Advanced estimates of India's headline GDP for FY 2020-21 projected a contraction in growth of -0.8.% over FY 2019-20 while GVA is estimated to contract -6.5%. India's real GDP growth at 0.4% in Q3 FY 2020-21 underlines that growth recovery was sharper than anticipated in H1. Pickup in manufacturing, construction, finance and real estate activities reflects gradual unlocking and the normalisation of labour supply across demand sectors. On the demand side, pent-up and festive consumer demand got bunched to result in a sharp turnaround in private consumption during Q3 FY 2020-21. However, public spending continued to contract in Q3 FY 2020-21 despite robust rise in Centre's expenditure, signalling a significant cut-back in expenditure by States.

Adjusting 9M FY 2020-21 actual data with FY 2020-21 second advance estimates to arrive at (indirect) projection for Q4 FY 2020-21, it turns out that private consumption will grow 2.1% in Q4 compared to -2.4% in Q3. Similarly, a massive year-end gush of spending in Q4 is expected with public spending estimated to grow a whopping 20.6%. On the supply side, the government projects that Q4 FY 2020-21 growth of 2.3% will largely come from services GVA at 2.9%, led by finance, real estate services growing at 7.3% and trade. Hotels, transport and communication services at 1.8%. Essentially, growth in Q3 came from industrial GVA while growth of Q4 is anticipated on services GVA as per government estimates. If this trend persists, the double-digit growth projected in FY 2021-22 in the range of 10.9% to 11.7% will have more legs for services GVA compared to industrial GVA.

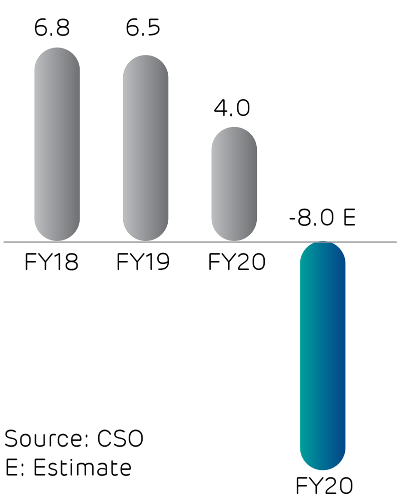
Outlook

While the broader economy is expected to grow in the range of 10.9% to 11.7% over FY 2021-22 (11.5% as per IMF), the recent spate of second wave of the speedily communicable mutations of the virus and resulting restrictions again, there could be some loss of activity from the previously projected baseline. However, consequences for the economy are likely to be more modest when compared with what was experienced last year.

Arguably, the immunity quotient could have risen this time compared to last year when the whole population was at risk, immunity gained through the disease or through inoculation even as the pace of vaccination is expected to further speed up in days ahead. Also, while the health care system is visibly overloaded, but it is fully in play in the sense of fully functioning facilities, protocols, line of treatments and procedures, supplies, and workers.

There are strong tailwinds on the global front, with the world economy coming back as most major economies have already been through two or three waves, resulting in optimistic outlook and low uncertainty. For example, countries that have seemingly conquered COVID-19 constitute a large enough group to generate an impulse for Indian exports in goods and services.

India's GDP growth rate (%)



Source: CSO
E: Estimate

3. Industry review

3.1 Ports

The global health and economic crisis triggered by the COVID-19 pandemic has upended the landscape for maritime transport and trade and significantly affected growth prospects. Impact on maritime industry has come across various segments, right from cargo volumes, freight rates, ship building, ship scrapping and other associated segments. According to the global transport sector experts, maritime trade already lost momentum in 2019 and came under pressure in 2020. At the end of year 2020, UNCTAD projected that the volume of international maritime trade would fall by 4.1% in 2020. Amid supply-chain disruptions, demand contractions and global economic uncertainty caused by the pandemic, the global economy was severely affected by a twin supply and demand shock. Maritime sector reached its weakest level since the onset of global financial crisis in 2008–09, which had a cascading impact on global ports volume.

Maritime trade at a time of the pandemic: Initially localised in China, the pandemic evolved rapidly and became a global disruptor by the first quarter of 2020. Subsequently, it spread in the entire world and almost every country suffered in 2020. As the story continues to unfold in different geographies in the form of second or third wave, there is little sign of relief. The pandemic spread across the world and consequent disruptions to societies and economies have had far-reaching implications, including transport and trade sector. Amid supply chain disruptions, falling global demand and global economic uncertainty caused by the pandemic, the global economy suffered dislocation, first at the supply end and then at the demand end. Although UNCTAD estimated around 4.1% reduction in global maritime transport volumes, final figures could vary when the final data is published.

The pandemic legacy: The global pandemic brought structural changes in the maritime sectors with long lasting impacts on global trade. The key impacts are enumerated below:

A paradigm shift in risk management and resilience-building: In the new thinking for businesses, an integral part of strategic business philosophy would involve business continuity plans and emergency-response mechanisms. These have never been as vital as in the case of the COVID-19 crisis. Today all decision-making authorities consider this inherent risk while taking major business decisions.

Accelerated shift in globalisation patterns and supply chain designs: The slowdown of globalisation reflected in a lower trade-to-gross domestic product (GDP) ratios observed since the 2008 global financial crisis and the regionalisation of trade could accelerate as the post-pandemic world features elements of shortened supply chains (near shoring, reshoring) and redundancy (excess stocks and inventory). Investing in warehousing and storage will become more important to ensure sufficient safety stocks and inventories. Diversification in sourcing, routing and distribution channels will grow in importance. Moving away from single country-centric location sourcing to multiple location sourcing that is not only focused on cutting costs and delays but also on risk management and resilience will be further prioritised (UNCTAD, RMT 2020).

New consumer spending and behaviour changes: A lot of noise was heard at the beginning of the pandemic with countries seeking to be self-reliant and shift production/manufacturing facility to their home country. Even end consumers started emphasising domestically manufactured goods over imported goods. At the beginning of pandemic, we have seen this wave in India as well.

Cybersecurity a major concern: Increased cyberattacks in shipping during the COVID-19 crisis were exacerbated by the limited ability of companies to protect themselves, including because of travel restrictions, social distancing measures and economic recession.

Systemic and coordinated policy responses at the global level: The pandemic highlighted the importance of coordinated action when dealing with cross-border disruptions with broad ranging ripple effects. Even within the countries, it has been seen to have a more coordinated approach to streamline logistic function across the supply chain.

Apart from this COVID-19 pandemic impact in recent years, global maritime trade witnessed structural changes in the entire value chain. In the container shipping segment, further consolidation was witnessed in the industry. The combined market shares of the top 10 container shipping lines increased from 68% in 2014 to 85% in 2020. There were signs that carriers are considering vertical integration by taking a greater control of port terminals, inland logistics, aiming to provide integrated service offerings and generate more value. This strategy also helps liners bring more visibility and reliability in the supply chain and marks a shift from the approach adopted in the 2000s, when shipping interests were to outsource such operations to focus on their core business. By 2020, some of the largest shipping lines such as Maersk and China COSCO were planning to expand their presence to inland terminals, warehouses, customs brokerage and logistics to tap additional business opportunities. Similarly, we observed that global terminal operators like DP World were planning to diversify their business and invested in short sea shipping and coastal shipping.

Similar trends were also witnessed in the global container terminal operator business, where progressively more consolidation has witnessed. The global container terminal operator business is turning into an oligopolistic market with the top five players controlling more than 50% market share. In 2000, the top five global container terminal operators had almost half, i.e., 26% share of the market and compares to 54% in 2019 even as we expect similar trends in 2020 and ahead. The market landscape changed with new entrants like COSCO group, TIL and CM Terminals. Top players in container terminal operators, including COSCO, PSA, APMT, HPH and DP World, now have a global presence, operating in different continents and handling gateway and trans-shipment volumes. Overall, 2020 was not encouraging for global container terminals volumes with an estimated loss of 25 MTEUs in global ports container volume (global container throughput in 2019 was 803 MTEUS compared to 2020 estimates of 770-780 MTEUs).

Ports volumes growth in India: EXIM trade between different nations has always been a significant contributor for overall economic growth. Ports are the gateways for EXIM trade and they play a crucial role in India's international trade. According to the Ministry of Shipping, approximately 95% of the country's trade by volume and 70% by value moves through maritime transport, which clearly highlights the importance of ports and their contribution in supporting and accelerating the growth and development of the Indian economy. In sync with overall weak growth in EXIM trade, the port volumes in India has not seen a robust growth. Despite the good potential to bolster cargo volumes, Indian ports have not seen remarkable growth in recent years.

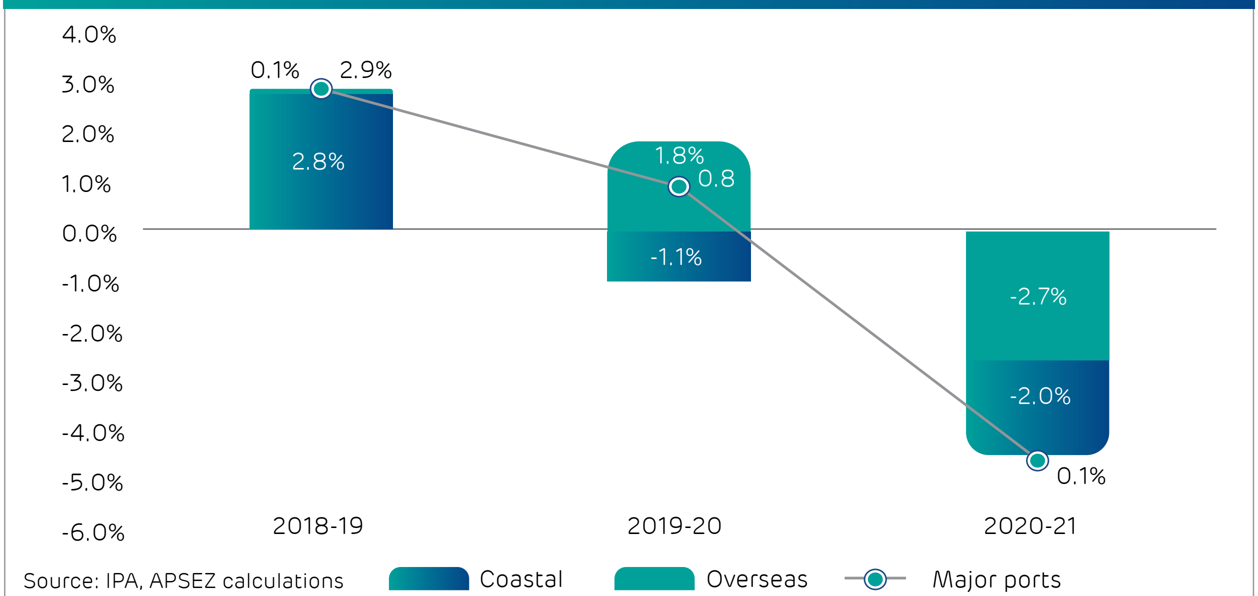
In FY 2020-21, the total consolidated ports volume handled by Pan-Indian ports was around 1247 MMT, thus revealing a contraction of -5.4% from FY 2019-20 volumes. According to Indian Ports Association (IPA) in FY 2020-21, the consolidated cargo volumes handled by Indian major ports were 673 MMT, registering 4.6% degrowth in cargo volumes compared to FY 2019-20. Similarly, according to the Ministry of Shipping (MoS), non-major ports has handled around 575 MMT cargo in FY 2020-21, which is a contraction of 6.2% over FY 2019-20 volumes. Beating the trends of past years, major ports also gained market share of 0.4% in FY 2020-21.

Major ports performance

Cargo traffic at India's 12 major ports during FY 2020-21 decreased by -4.6% to 672 MMT million Tonnes from 705 MMT cargo handled during FY 2019-20. The overseas cargo handled at major ports decreased by 2.6% from 539 MMT during FY 2019-20 to 524 MMT in FY 2020-21. Coastal cargo handled at the major ports decreased by 11.4% from 167 MMT during FY 2019-20 to 148 MMT in FY 2020-21.

Of the -4.6% growth in major ports performance over FY 2020-21, approximately -2.0% came from overseas cargo while -2.7% came from coastal cargo (See below).

Growth buildup of major ports (2018-21)

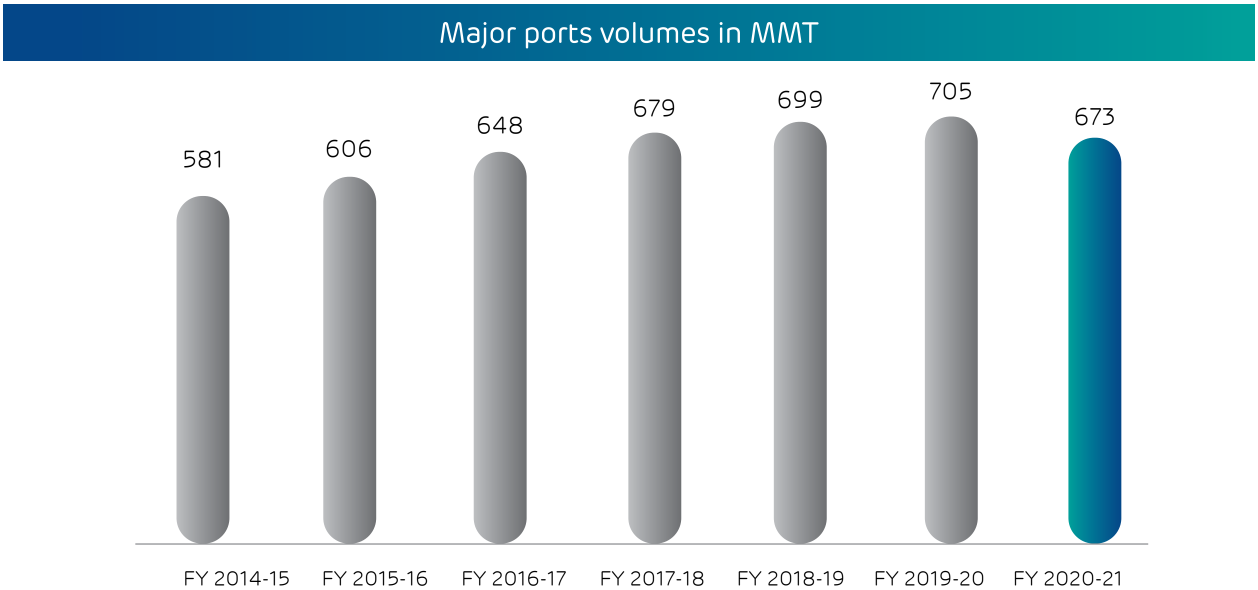


Source: IPA, APSEZ calculations

Out of 12 major ports, only two ports witnessed growth in FY 2020-21. Mormugao port and Paradeep port registered cargo volume growth of 37% and 2% respectively. Ennore Port registered the highest decline in cargo traffic (-18%), followed by Mumbai port (-12.3%) and Tuticorin port (-11.9%). Decline of cargo at other ports were the following: Cochin port (-7.5%), Chennai port (-6.9%), New Mangalore port (-6.7%), JNPT port (-5.3%), Vizag (- 4.0%), Kandla port (- 4.%) and Kolkata+Haldia port (- 4.1%).

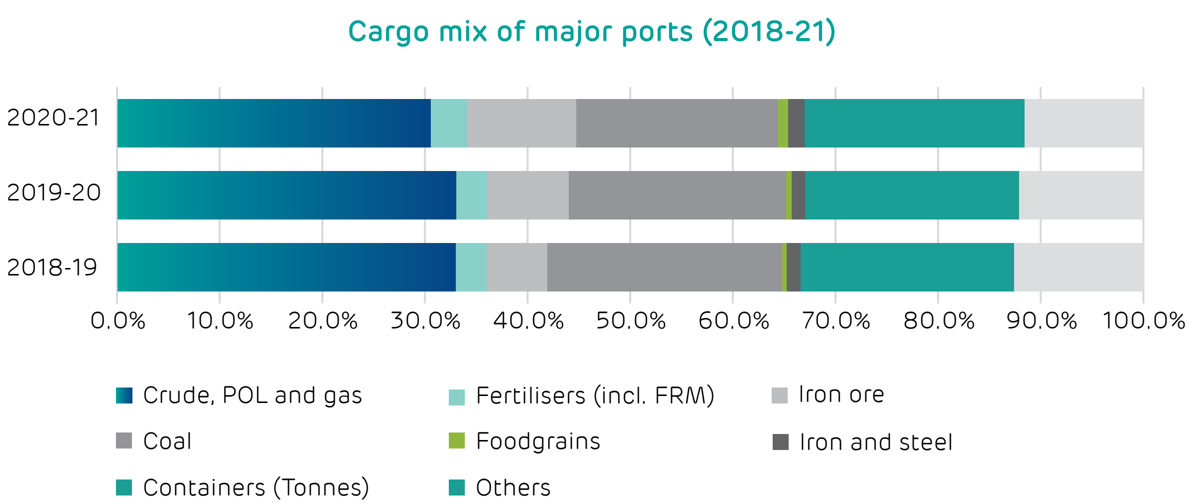
Out of these 12 ports, five ports (Paradeep, Kandla, JNPT, Vizag and Kolkata+Haldia) handled around 64% of major ports cargo volumes in FY 2020-21. Growth trends of major ports in cargo for the past seven years is given below.

Exhibit: Major ports volume growth trends (volumes in MMT)



Source: Indian Ports Association 2020

Key growth commodities in FY 2020-21 at major ports were iron ore/ pallet (+ 29%), FRM (15%) and finished fertilisers (11%). All other commodities witnessed de-growth: coking coal (-5%), thermal coal (-15.4%), POL + crude + LPG/LNG (-12.8%) and container (-3.8%) and liquid cargo (-4.5%). The cargo basket of major ports spread over key commodities during FY 2018-21 was as below:



Source: Port Data Management Portal, Ministry of Ports, Shipping & Waterways, APSEZ Calculations

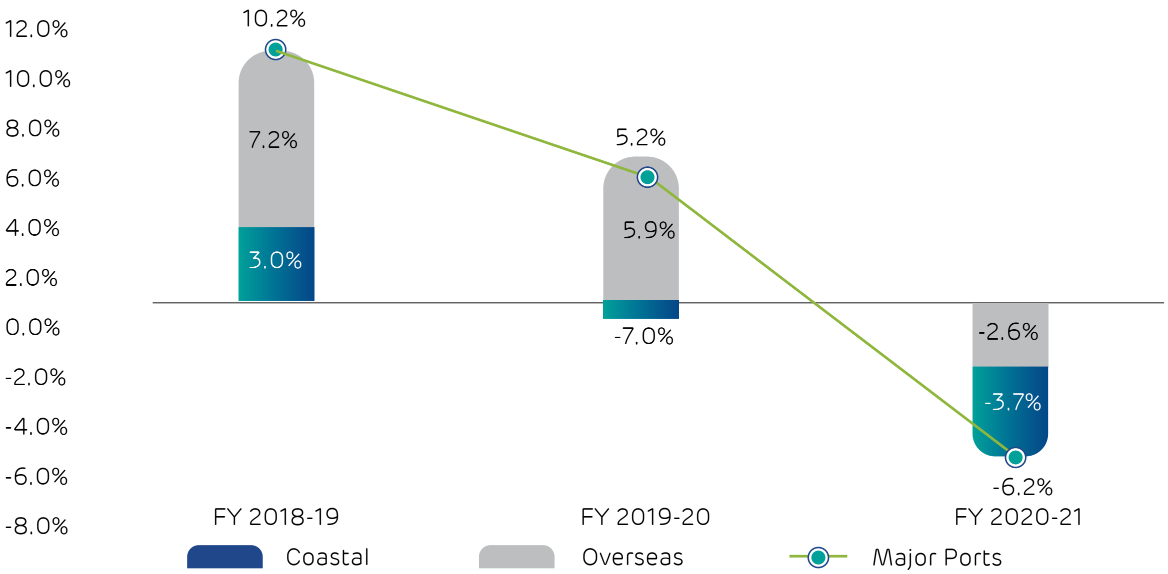
A look into the market share analysis of key major ports over FY 2015-21 reveals that Paradeep port gained market share by almost +2.5%, followed by Kandla (0.7%) and Kolkata/Haldia by 0.5%. Mumbai and Chennai ports have lost their market share by almost 1.6% in this period.

Non-major ports (minor ports)

Cargo traffic handled at Non-Major Ports during FY 2020-21 decreased by 6.2% to 575 MMT from 614 MMT handled during FY 2020-21. The overseas cargo traffic handled at Non-Major Ports during FY 2020-21 decreased by 4.3% to 500 MMT from 523 MMT during FY 2019-20. The coastal cargo traffic handled at non-major ports during FY 2020-21 decreased by 17.3% to 75 MMT from 91 MMT during FY 2019-20.

Of the -6.2% growth in non-major ports performance over FY 2020-21, approximately -3.7% came from overseas cargo while -2.6% came from coastal cargo (see below).

Growth buildup of non-major ports (2018-21)



Source: Port Data Management Portal, Ministry of Ports, Shipping & Waterways, APSEZ calculations

Among the Non-Major Ports, GMB handled the maximum coastal cargo of 39.60 million Tonnes with a share of 52.9% followed by Maharashtra Maritime Board (24.0%), Andhra Pradesh Maritime Board (15.9%), Directorate of Ports, Odisha (4.8%), A&N Islands (1.7%), TNMB (0.4%), Directorate of Ports, Karnataka (0.2%), and Kerala Maritime Board (0.1%) during FY 2020-21

Exhibit: Non-Major ports volume growth trends (volumes in MMT)

Non-major volumes in MMT

Source: Ministry of Shipping

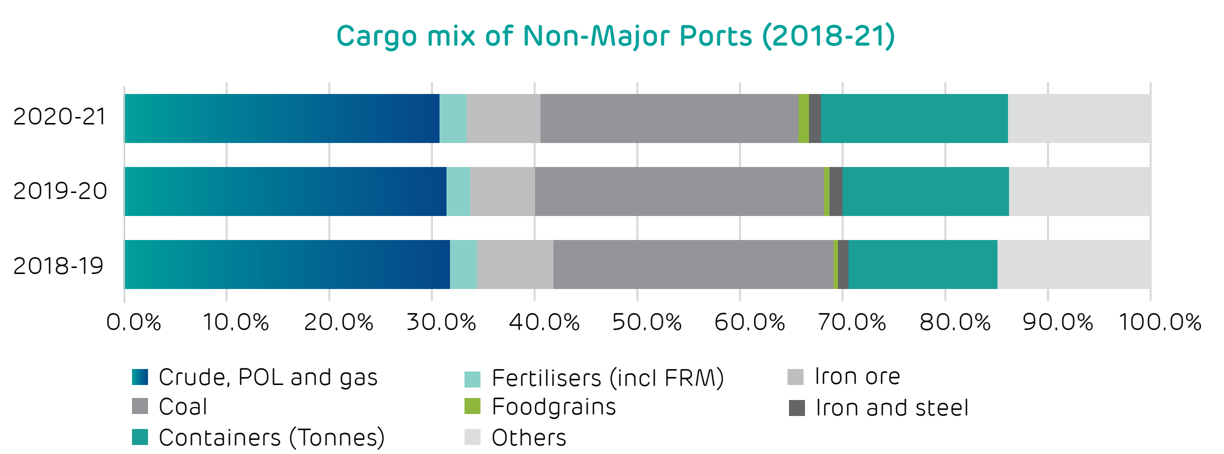
During FY 2020-21, foodgrains excluding pulses recorded the highest growth of 144.0% followed by FRM dry (80.4%), sugar (49.0%), other ores (12.8%), fertiliser (11.1%), iron ore (6.7%), containers (5.3%), coking coal (2.5%) and edible oil (1.3%).

Amongst the State Maritime/ State Directorate, Gujarat Maritime Board handled the maximum cargo of 387.16 million Tonnes with a share of 67.3% followed by Andhra Pradesh Maritime Board (15.6%), Directorate of Ports, Odisha (7.5%), Maharashtra Maritime Board (6.4%), Tamil Nadu Maritime Board (1.6%), Directorate of Ports, Puducherry (1.3%), A&N Islands (0.2%) and Directorate of Ports Karnataka (0.1%) during FY 2020-21.

During FY 2020-21, foodgrains, excluding pulses, recorded the highest growth of 144.0% followed by FRM dry (80.4%), sugar (49.0%), other ores (12.8%), fertiliser (11.1%), iron ore (6.7%), containers (5.3%), coking coal (2.5%) and edible oil (1.3%). Pulses recorded highest negative growth 48.4% in traffic during FY 2020-21 followed by building material (42.3%), Project Cargo (34.0%), other coal (20.9%), thermal coal (20.2%), POL crude (13.5%), cement (12.5%), iron and steel (11.4%), FRM liquid (7.3%), other commodities (4.1%), POL products (3.8%) and LPG or LNG (1.3%) over FY 2019-20.

Amongst all commodities, Container was the highest commodity handled at ports with 105.00 million Tonnes corresponding to a share of 18.3% followed by POL crude (14.7%), other coal (12.2%), POL products (11.7%), other commodities (10.8%), iron ore/ pellets (7.2%), thermal coal (7.1%), coking coal (5.9%), LPG & LNG (4.4%), fertiliser (2.4%), cement (1.8%), iron & steel (1.2%), edible oil (0.6%), foodgrains excluding pulses (0.5%), other ores and sugar (0.4%) each, FRM liquid (0.3%) and building material (0.2%) during April-March, 2020-21.

Cargo basket of minor ports spread over major commodities during 2018-21 is as below:

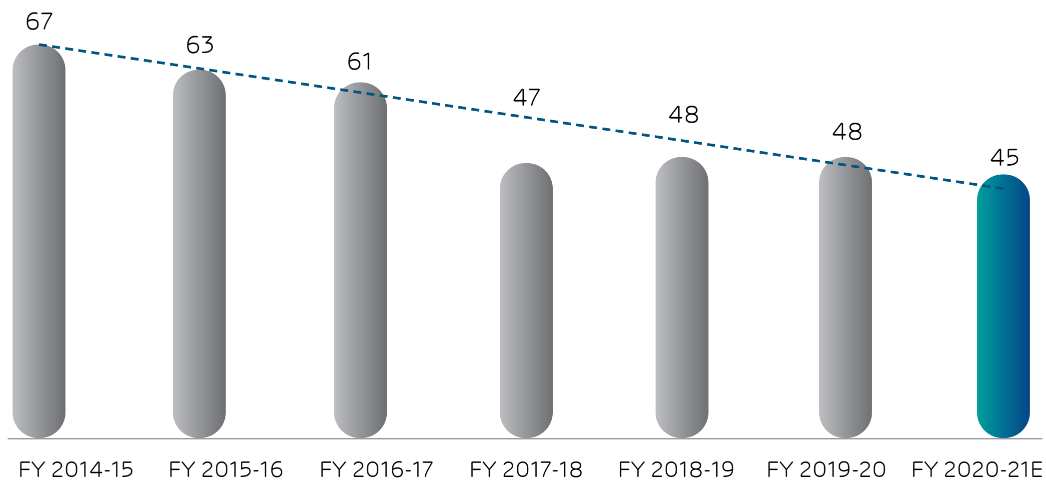


Source: Port Data Management Portal, Ministry of Ports, Shipping & Waterways, APSEZ calculations

Improvement and efficiency: As the sector prioritises efficiency and mechanisation, the ports industry is witnessing a shift. Along with non-major ports, major ports are also focusing on efficiency improvements. The Sagarmala program is a key initiative in this direction for major ports.

Major ports capacity utilisation: On ports capacity utilisation front, over a period, capacity utilisation at major ports has been trending down. In FY 2019-20, capacity at major ports was around 1470 MMTPA. In the preceding seven years, major port capacity utilisation trend is given below:

Major ports: Capacity utilisation in %

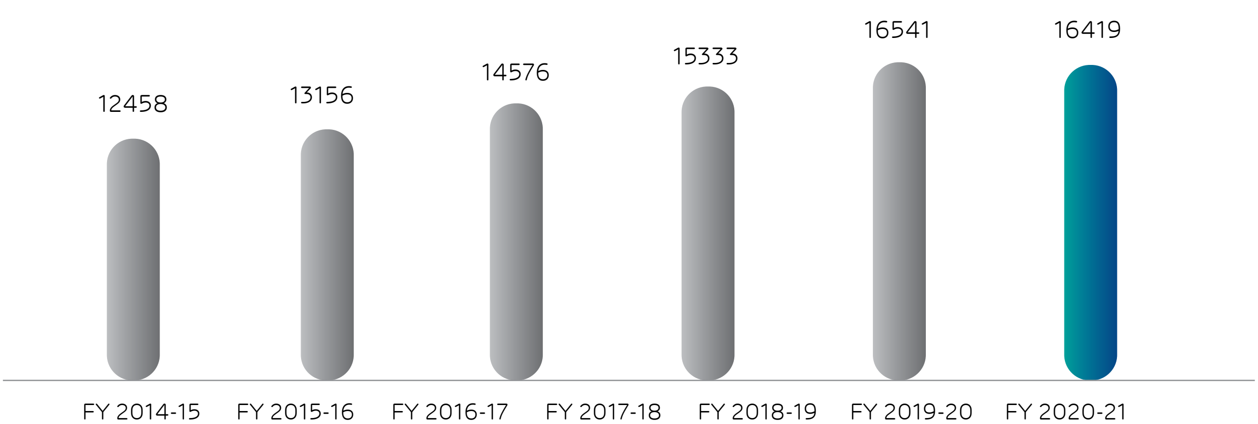


Source: Ports in India 2021 by India infrastructure and Ministry of Shipping FY 2019-20 annual report.

Average output per ship berthday in Tonnes at major ports: Modernisation and efficiency improvements at major ports under the Sagarmala initiative (project UNNATI), helped major ports enhance efficiency in berth productivity.

On an average, output per ship berthday improved significantly from 12,458 Tonnes in FY 2014-15 to 16,500 Tonnes in FY 2019-20. The last six-year trend is given below.

Major ports: Average output per ship berth day (in MT)



Source: Ports in India 2021 by India infrastructure

Government Initiatives

To meet the ever-increasing trade requirements of the country, the Indian Government took multiple initiatives to improve infrastructure development linked to ports.

Major Ports Act 2020: With a view to promote the expansion of port infrastructure and facilitate trade and commerce, the Major Port Bill 2020 was passed by both houses of Parliament into an act to decentralise decision-making and infuse professionalism in the governance of major ports. It imparts faster and transparent decision making, benefiting stakeholders and better project execution capability. The Act is aimed at reorienting the governance model in central ports to the landlord port model in line with successful global practice. This will bring transparency in the operations of major ports. This

Act will empower major ports to operate with greater efficiency on account of full autonomy in decision-making and modernising the institutional framework of major ports.

The salient features of the Major Port Authorities Bill 2020 are as under:

- Decentralise the decision-making process.
- The port authorities have now been given the right to fix their tariffs, which will act as a reference tariff for the purposes of bidding for public-private partnership (PPP) projects.
- The PPP operators will be free to fix tariffs based on market conditions.
- Liberty in the development of a port masterplan (independent from ULB).

PPP projects at major ports: In Union Budget 2021, the Union Finance Minister announced seven port projects worth more than ₹2,000 crore to be awarded through the PPP mode. Directionally, the government is targeting to move away from the existing service port operating model to the PPP model for existing operating terminal at the major ports. The seven identified projects and details are given below.

PPP projects pipeline at major ports

Name of port	Name of project	Project cost (In ₹ crore)	Capacity (MTEU/ MMTPA)	Tentative timeline to award
JNPT	Container Terminal	863	1.8 MTEUS	September '21
DPT Kandla	Berth no. 14, Mechanised Fertilisers handling facility	300	5.3 MMTPA	July '21
VoCPT Tuticorin	Berth No. 9	435	1.2 MMTPA	July '21
VoCPT Tuticorin	NCB-III Berth	420	8.9 MMTPA	October '21
JNPT	Operationalisation of coastal Berth	170	2.5	October '21
PPT Paradeep	Mechanisation of SQB Berth	75	1.5 MTPA	March '22
VPT Vizag	WQ-7 and 8	288	5.8 MMTPA	January '22

Source: Ministry of Shipping

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 with a total cost of ₹8.80 lakh crore were identified under Sagarmala. Of these, 89 projects worth ₹0.14 lakh crore were completed and 443 projects worth ₹4.32 lakh crore are under implementation and development. The project aims to promote port-led development with a view to reduce logistics cost for EXIM and domestic trade.

Port capacity target: The Ministry of Shipping, along with the State Governments, is striving to increase the overall port capacity to 3,500+ million Metric Tonnes Per Annum (MMTPA) to cater to the projected traffic of 2,500 MMTPA by 2025. Towards this end, 249 port modernisation projects have been identified. Out of these, 107 port capacity expansion projects (costing ₹67,962 crore) were identified from the port master plans of 12 major ports and are expected to add 794 MMTPA to the major port capacity over the next 20 years.

Model concession agreement for PPP projects: According to the Ministry of Shipping of the GOI, a Model Concession Agreement (MCA) was finalised to bring transparency and uniformity to contractual agreements that major ports would enter with selected bidders for projects under the Build, Operate and Transfer (BOT) model. In January 2018, a revised MCA was approved by GOI to make major ports in India more investor-friendly and make the investment climate in the port sector more attractive. Some salient features of the revised MCA provide for relaxed exits, expansion, lower charges for land use based on each container, cheaper dispute resolution mechanism and online complaints portal for users.

Coastal shipping – Relaxation in Cabotage Law: In May 2018, MoS allowed under Section 407 of the Merchant Shipping Act 1958 coastal movement of EXIM trans-shipment containers and empty containers. It allowed foreign-flagged container ships to carry EXIM-laden containers for trans-shipment and empty containers for repositioning on local routes without a license or condition. The law also allowed foreign flagged vessels to carry fertilisers and agro commodities along the Indian coast.

There was a significant increase in container trans-shipment volumes in India by shipping lines with foreign flags. Between May 2018 and May 2019, 8,07,932 TEUs trans-shipped through Indian ports. This helped many Indian ports capture value from it. Example: Mundra port outperformed all ports on the West coast in terms of trans-shipment volumes. The port handled 40,000 TEUs of trans-shipment traffic during May 2019, of which 32,500 TEUs were laden and the remaining 7,500 TEUs were empties. Similarly, Krishnapatnam Port also registered significant trans-shipment (26,000 TEUs during May 2019).

Ease of doing business: Direct Port Delivery (DPD) and Direct Port Entry (DPE) were introduced to make import and export more efficient and cost-effective. Along with this, some changes were made in customs law to facilitate trade in a more efficient way. India improved its ranking under the Trading Across Border (TAB) parameter of Ease of Doing business (EoDB) from 80 to 68. This impressive record has been facilitated through various measures like Direct Port Delivery (DPD), Direct Port Entry (DPE), Introduction of RFID, Installation of scanners/container scanners, Simplification of procedures etc., taken by the major ports.

Dedicated freight corridor: The Ministry of Railways is implementing the Dedicated Freight Corridor (DFC) project under which it proposes to undertake planning and development, mobilisation of financial resources and construction, maintenance and operation of the rail corridors dedicated for freight transportation across the country. The key mission of the Dedicated Freight Corridor Corporation of India Ltd (DFCCIL) includes:

- Building a corridor with appropriate technology that enables Indian railways to regain their market share of freight transport by creating additional capacity and guaranteeing efficient, reliable, safe and cheaper options for mobility to their customers.
- Setting up multimodal logistic parks along the DFC to provide complete transport solution to customers; and
- Supporting the Government's initiatives toward ecological sustainability by encouraging users to adopt railways as the most environmentally friendly mode for their transport requirements.

The project consists of two corridors, the Eastern Corridor and Western Corridor. The two routes cover 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.

Tariff Authority for major ports: The Tariff Authority for major ports issued fresh guidelines for the implementation of Tariff Policy, 2019, on July 11, 2019.

LNG facility at major ports: Ministry of Shipping (MoS) issued guidelines for the establishment of a floating storage regasification unit for handling liquefied natural gas at major ports on March 07, 2019.

Ship Recycling Bill: In December 2019, the Recycling of Ships Bill, 2019, became an act after receiving the consent of the President of India. This outlays huge 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 announced a new ports policy to provide benefits to the existing and future captive jetties players and other players. According to the new policy, 32 operational captive jetties are now permitted to handle third-party cargo. They can increase the number of cargo handling facilities and expand and modernise their jetties as well. Captive jetty holders will be able to handle the cargo of other companies by paying double wharfage charges.

Jal Marg Vikas Project (JMVP) on NW-1: The Government is implementing the Jal Marg Vikas Project at an estimated cost of ₹5369.18 crore for capacity augmentation of navigation on the National Waterway -1 (NW-1) on the Haldia–Varanasi stretch of Ganga-Bhagirathi-Hooghly River System with the technical and financial assistance of the World Bank. The project is scheduled to be completed in 2022-23. Projects worth around ₹1800 crore have commenced on ground in three years.

Free Trade Warehousing Zones (FTWZs): The Government permitted up to 100% FDI in the development and establishment of free trade warehousing zones in their infrastructure facilities.

Outlook

The ports are drivers of socio-economic change and facilitate the long-term growth trajectory of the economy. The government is striving to develop ports into manufacturing ecosystems that attract trade as well as investments. The industry has undergone significant changes with the introduction of new policies, amendments to existing policies, increase in cargo traffic, spurt in private participation and development of new greenfield ports. Given Sagarmala's scope and the huge investment requirement, the key lies in effective and timely project execution.

3.1 Logistics Industry
The logistics industry is fragmented and dominated by unorganised players. It is estimated that organised players account for around 10% of the total logistics market share. With the customer base, including a range of industries such as retail, automobile, telecom, pharmaceuticals and heavy industries, the logistics industry requires significant investments. There is a need for a comprehensive logistics policy that eases requirement of approvals, coordination with multiple agencies, ensures effective monitoring and promotes a tech-driven approach. This, in turn, will help India's logistics sector leap into becoming one of the most promising sectors of the Indian economy.

Opportunities: Strategic disinvestment by Government of India.

CCEA granted in-principle approval for the strategic disinvestment of the Government of India (GoI) share in Container Corporation of India (CONCOR). The GoI decided to sell 30.8% in CONCOR, along with transfer of management control. In December 2019, the Department of Investment and Public Asset Management appointed three advisors for strategic disinvestment in CONCOR.

This offers excellent business opportunities as private players like CONCOR enjoy a lion's share in inland rail-based container transport in India.

Opportunities also exist in declared PPP projects at major ports. From seven identified projects by GoI, key focus and aligned with business synergy for APSEZ ports are JNPT container terminal, the Kandla fertiliser berth and Tuticorin projects.

4. Performance overview

During the year under review, the performance of the Company was encouraging. The Company led across all fronts; Mundra port continued to be the largest commercial port in India, handling 144.38 MMT of cargo in FY 2020-21. The total cargo handled across all Adani ports is 247.28 MMT. Dry volume crossed 109.72 MMT and increased 9% on YOY basis and container volume crossed 7.22 million TEUs, increase of 16% on a YOY basis.

The Company maintained a growth record better than the rest of the industry and registered a 11% growth in cargo volumes in FY 2020-21. It will continue to lead innovative practices, adopt technology and set examples of efficient port operations.

The performance of other ports was as under:

- Dhamra Port handled cargo of 32.38 MMT, a growth of 9% YOY basis
- Ennore Port handled cargo of 2.93 MMT, a growth of 53% YOY basis
- Tuna Port handled cargo of 7.18 MMT, a growth of 11% YOY basis
- Hazira Port handled cargo of 21.95 MMT, a growth of 1% YOY basis
- From this year Krishnapatnam and Dighi ports were added to our portfolio.

Performance highlights

The eleven ports and terminals consist of 64 berths spanning across 18,900+ meters of quay length and two single-point moorings to facilitate the handling of Dry Bulk, Liquid Cargo, Crude Oil, Containers, Ro-Ro and Project Cargo. Our operational facilities are equipped with the latest cargo-handling facilities, which are not only best-in-class but are also capable of handling the largest vessels calling at Indian ports.

APSEZ formed a strategic collaboration with CMA Terminals and with Mediterranean Shipping Company to jointly operate two container terminals with a combined capacity of 4.2 million TEUs at Mundra port. Both these terminals put together handled 3.70 million TEUs, a growth rate of 36% over the last year.

ALL currently operates five logistics parks, 60 rakes (42 Container, 9 GPWIS, 2 AFTO and 7 Agri Rakes), 400,000 sq. ft of warehousing space, 5,000+ containers, 0.9 million metric tons of grain silos and 9 inland waterways vessels. ALL set itself a target of 15+ logistics parks, 200+ rakes, 30 million sq. ft of warehouse space, 15,000+ containers, 2.2 million metric Tonnes of grain silos and 25 inland waterways vessels by 2025.

Shanti Sagar International Dredging Pvt. Ltd. (SSIDPL) has a total fleet of 19 dredgers, the largest in India. Our port services include marine, intra-port transport, storage and other value-added and evacuation services for a diverse range of customers, primarily terminal operators, shipping lines and agents, exporters, importers and other port users. This helps us diversify income sources, eliminate revenue leakage, reduce financial risks and compete more effectively. Consequently, our cargo and service mix has a significant effect on the results of operations.

Special Economic Zone

The multi-product SEZ at Mundra is the largest notified SEZ in India, with notified area of 8,481 hectares. Exports from Mundra SEZ up to March 2021 was about ₹25,683 crores (cumulative). With its multi-modal connectivity, including road, rail, seaport and airport, Mundra SEZ is expected to attract increasing investments in the coming years.

In addition to the 16 co-developers approved by the Government of India for providing various infrastructure facilities as of March 31, 2021, 55 entities obtained approval for setting up units in the SEZ. Some started operations and export activities, some are under construction and these units invested about ₹14,293 crores.

As a part of the growth strategy that relies on cluster-based development, a chemical cluster, including propane dehydrogenation and its downstream ancillary units, is being developed within the industrial estate at Mundra.

Strategy

- Sustained shareholder returns, market leadership and growth, through optimised capital allocation, cargo diversification, long-term contracts, efficiency improvement, enhanced capacity utilisation, development of new capacities and ports network across the coastline.
- Become one-point customer-centric transport utility across port and hinterland with pan-India integrated logistics presence by expanding logistics portfolio into rail, logistics parks, warehouse, cold-storage, air freight stations, grain silos, inland waterways and trucking.
- Leveraging best-in-class facilities, talent, technology and digitising the logistics value chain to deliver better customer and stakeholder experiences through a mix of visibility, analytics and automation.
- Commit to conserve and improve our environment and take steps towards building a vibrant, secure and resilient society, through focus on Environment, Social and Governance (ESG) and Safety.

Outlook

APSEZ is India's largest commercial port operator and integrated logistic player in the country with sustained high and diversified growth with low-risk and unique operating model. Delivering superior performance in today's volatile and uncertain business environment requires sound strategy and disciplined execution. We could deliver a robust performance in spite of a volatile operating environment, primarily due to our high share of sticky cargo and our ability to handle all types of cargo, including LNG and LPG across our 12 ports.

The Indian ports industry is faced by global supply chain disruptions along with vessel upsizing and draft constraints, operational efficiency and efficient hinterland connectivity. However, APSEZ differentiated from state-run and private Indian ports by factors like deep draught berths, minimum pre-berthing delays and fast vessels turnaround. Additional features like state-of-the-art port infrastructure facilities, domain expertise in the port services industry, specialised infrastructure constructed to handle specific commodities, established customer relationships, ability to facilitate port-based development, consistent high-quality service and the ability to flexibly meet our customers' requirements (including in tariffs) empower APSEZ to be a market leader in the Indian ports industry.

We expect the next wave of growth to come from logistics with the government setting an objective to reduce the logistics cost to less than 10% of GDP from the current level of 14%. APSEZ made significant progress in offering a range of logistics products and solutions required to augment the growth strategy. We are developing a pan-India network of logistics parks, warehouse, cold storages, grain silos and air freight stations as distribution centres. We are substantially increasing assets in different modes of rail such as container rail, GPW (Bulk), grain rail and auto rail for transportation. We offer river transportation through barges and Inland Waterway terminals. Focus on next-generation technology adoption and innovation culture development will cement APSEZ's position as a market leader. New avenues for the international expansion of ports at selective locations are in an exploratory stage to create value for the organisation and stakeholders.

Towards, strategic capacity addition, we will continue with the development work at Vizhinjam (Kerala) for International Transhipment Container Terminal and LNG terminal at Dhamra. Development work for an international Container Terminal in Myanmar commenced.

5. Risks, opportunities and threats

The global health and economic crisis triggered by the pandemic has upended the landscape for maritime transport and trade; it significantly affected prospects over the world. India is not an exception to this shock. In FY 2020-21, Indian ports volumes witnessed more than 5% degrowth. As businesses were normalising with the launch of the national vaccination program, the second wave of the pandemic hit India with a massive surge in infections on account of speedily communicable virus mutations.

While the situation is still unfolding, the likelihood of the recurrence of a severe economic impact is low for the following four counts:

a) The vaccination program is ongoing and the government has now opened it to everyone over 18 years of age,

b) Policymakers are better prepared this time, learning from experiences of last year and the making the right policy choices on containment measures,

c) Global economy is on a spiral with key trading partners of India already past second/third wave of the pandemic and ongoing vaccination programs, and

d) Firms are better prepared this time to shift critical business swiftly in a virtual framework, having developed business continuity programs last year.

All these factors suggest that overall economic impact of this wave may not be big and that overall growth projections by various agencies in the range of 11.0-12.5% has limited downside. The ports sector should witness a corresponding growth buoyancy of 9.0-10.5%.

Through Sagarmala initiatives and investment by private players in private ports, the country has already built ports cargo handling capacity in Indian ports sectors. In the recent past, the growth in Indian ports volumes has remained subdued, where cargo volumes have not matched capacity addition. Major ports reported less than 50% of capacity utilisation in FY 2020-21.

This oversupply of capacity has translated into a substantial regional over-capacity, one of the key concerns of the port industry. Resulting inter-port competitions have become challenging, leading port operators to rethink business strategies. For example, over capacities in container terminals at the Chennai port cluster (ports of Chennai, Kattupalli, Ennore and Krishnapatnam) could result in stiff competition for common hinterland container cargo.

Apart from port infrastructure, there are challenges on the commodity front. With the government's focus on domestic thermal coal production and giving more emphasise on climate change (through promotion of renewable energy), thermal coal imports into India could face a downside. Similarly, government has given more focus on domestic fertilisers production especially urea fertilisers, which used to be major import commodity in the fertiliser's basket in the past. Revival of domestic urea fertiliser manufacturing plants will reduce the imported urea demand in the coming years. Similar risks also arise in agro commodities imports.

With improvements in physical port performance with respect to connectivity and operational efficiency at major ports, challenges could emerge for APSEZ ports. These shifts in efficiency and competition offer wider choice to customers to shift their volumes from one port to another to reduce their cost. Inter-port competition with similar physical performance parameters could mean more bargaining powers to customers.

Looking beyond the pandemic impact on cargo throughput, localised impact on ongoing infrastructure developments and expansions projects could pose project completion challenges within a stipulated time frame. APSEZ developed a ERM framework for risk identification, assessment, evaluation and management, which periodically identifies such risks, evaluates consequences, initiates risk mitigation strategies and implements corrective actions wherever required. The scope of ERM framework at APSEZ is as follows:

Strategic and Economic Risk: Economic uncertainty, slowdown, government policies and high concentration of business with few shipping lines / customers, geographical expansion.

Operational Risk: Demurrage, theft of shipment, change in dimension of cargo, damage to assets etc.

Growth Risk: Intense global / domestic competition rendering pricing & commercial terms to be unsustainable, incompatible allied infrastructure, execution of projects, M&A and integration.

Reputational Risk: Negative perception of stakeholders due to any untoward incident, accident / mishap.

Profitability & Liquidity Risk: Risk of adverse movement in forex, interest rate, failure to obtain funds at right cost, capital intensive & high gestation period projects etc.

ESG risk: Risk due to rising sea levels, natural calamities, risk due to fatalities, risk due to non-adherence to international standards of governance.

Technology risk: Data recovery, disruption in the operation of the system, cyber security breach, adoption of artificial intelligence and robotic-led process automation.

People Risk: Attracting / retaining requisite talent, labour strikes and huge dependence on contractual workforce.

Projects completion related risks: Local crisis, pandemic, material availability issue, manpower availability.

The APSEZ Audit Committee reviews the report on risk management on a quarterly basis and recommends corrective actions for implementation. The risk assessment developed at APSEZ as per OHSAS 18001 standards are reviewed regularly or as and when any change in system/ process takes place or any incident takes place.

APSEZ has been making steady progress in addressing specific risks and threats through cargo diversification, strategic capacities at ports, long-term customer contracts, enhancement in operational efficiencies, cost optimisation and provision of integrated logistics services.

In recent times, various new policy initiatives have generated new business opportunities in the ports and logistic sector in India. The government's thrust on the gas-based economy with the adoption of cleaner and greener energy has meant new business opportunities in the LPG and LNG business.

Downstream industries of LPG and LNG products also offer a great potential to APSEZ to develop port-based industrial clusters for such business opportunities. We foresee business potential in the development of port-based industrial ecosystems across our pan-India ports network for scale development. Readily available land banks around our ports with best suited basic and yet modern infrastructure provides an excellent opportunity to any industry to invest in our ports and SEZ.

Opportunities also exist for Ship-to-Ship (STS) cargo-handling operations at certain ports. APSEZ started STS at Dhamra to service regional ports. In May 2018, Ministry of Shipping allowed (under Section 407 of the Merchant Shipping Act 1958) the foreign-flagged container ships to carry export-import laden container for transhipment and empty containers for repositioning on local routes without a license or condition. However, India-bound containers are still being handled at other regional ports like Colombo and Singapore. It is estimated that annually around 3 MTEUs India-bound cargo transhipped at neighbouring country ports especially Colombo, Singapore and other regional ports. This offers a substantial opportunity for the development of transhipment ports on the Indian coast. Hence, we believe that our strategic investment in an ultra-modern deep draft Vizhinjam container terminal at Kerala indicates an excellent business opportunity.

Recent trends in upsizing cargo vessels to achieve economies of scale require next-generation infrastructure at ports. Infrastructure and super-infrastructure available at APSEZ ports, such as deep draft, longer quay lengths, high mechanisation and evacuation facilities, has made the Company a preferred choice for customers. Superior reliable services as well as long-term relationships with customers provide an edge to APSEZ. New opportunities in coastal shipping, inland waterways and dredging are in the works.

ASPEZ commenced IWT operations in Indian national waterways to facilitate trade in the eastern region. APSEZ is keenly following these markets to leverage and aid future growth with key infrastructure projects in the pipeline to capture value at the opportune time. Efficient and reliable multi-modal port connectivity is a decisive factor in the successful journey of ports. APSEZ is hence making serious efforts to increase multi-modal connectivity (new connectivity + capacity augmentation). For an integrated logistics business like APSEZ, there is ample opportunity to grow organically and inorganically. Opportunities are being evaluated across various segments of the supply chain like warehousing, cold storage, integrated logistic parks, investment in wagons and other similar assets.

A pan-India footprint of APSEZ ports and logistics infrastructure provides value-added services, which increases mutual competitiveness. In the last two decades, we developed long-standing relationships with customers and strong business partnerships. Our assets are strategic in locations and having excellent natural characteristics to offer world-class services to our esteemed customers in the most competitive way. Most of our infrastructure assets comprise next generation dedicated assets capable of handling latest and different cargo vessels in the most productive manner.

6. Human Resource Development

People and culture represent a competitive advantage for APSEZ. Our human assets provide a valuable proposition for customers and surpass their erstwhile achievements. Growth mind-set and agility are important aspects of our workplace culture. The expansion of existing businesses and addition of new areas together have created a wide range of career opportunities for employees. Providing meaningful work to employees and opportunity to grow are important building blocks of talent management.

APSEZ provides an inclusive and dynamic work environment where the organisation believes in its people and recognises that its success and growth are driven by them. The competence and capability of our people provide a competitive edge to build an aspirational workplace and future-ready organisation.

The organisation is committed to build capabilities ahead of requirement at three levels viz. organisation, team and individual. Related systems, processes and people management practices are designed and deployed to keep these contemporary and aspirational. Cutting-edge and relevant practices were created, experimented, modified and used with the objective to continuously enhance capabilities and employee experience.

The Company's average employee age is 37 years, indicating youth, energy and vibrancy. A culture of learning and growth are embedded, matching the demographic profile. A rewards system helps meet and re-define organisational commitments by keeping the customer at the centre of all thinking. Continuously re-defining and enhancing performance is encouraged and rewarded at all levels.

Attracting best-in-class talent, enhancing net worth through targeted investments and learning and growing them to higher responsibilities have been the organisation's core people management belief. This has led to an extraordinary performance assurance for customers and partners. It provides a stable and tested career model and proposition to high-end talent, leading to more than 95% retention. Empowerment in all aspects and decision-making helps individuals grow quickly and take total ownership of results, keeping the business agile.

Organisational success is attributed to celebrating talent and success by way of career and recognition, driving a culture of meritocracy and remaining contemporary and agile.

7. Financial review

Consolidated financial per formance

The Company recorded a total income to the tune of ₹14,520 crore during FY 2020-21 compared to ₹13,734 crore in the corresponding previous financial year.

The Company generated Earnings before Interest,Depreciation and Tax (EBIDTA) (excluding foreign exchange gain/loss) from operational income of ₹8,063 crore during FY 2020-21 compared to ₹7,565 crore in the previous year.

Profit before Tax (PBT) for FY 2020-21 stood at ₹6,292 crore compared to ₹4,244 crore in the previous year.

Net profit for FY 2020-21 is ₹5,049 crore compared to ₹3,785 crore in the previous financial year.

Total comprehensive income attributable to equity holders of the parent for FY 2020-21 is ₹4,979 crore compared to ₹3,800 crore in 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, 2021	Previous FY ended March 31, 2020	Changes between current FY and previous FY
Debtors' Turnover	**72**	**77**	**(6%)**
Inventory Turnover	19	17	11%
Interest Coverage Ratio	4.41	5.20	(15%)
Current Ratio	2.07	2.49	(17%)
Debt Equity Ratio	1.06	1.08	(2)
Operating Profit Margin (%)	64%	64%	-
Net Profit Margin (%) or Sector-specific equivalent ratios, as applicable	35%	28%	7%
Return on Net Worth (%)	17%	15%	2%

Notes

a. Above ratios are based on consolidated financial statements of the Company.

b. 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.

Operating EBIDTA means operating income less operating expenses, employee costs and other/administrative expenses, excluding foreign exchange gain/ loss.

8. 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 extensive audit throughout 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 are:

- Adequate documentation of Policies & Guidelines.
- Preparation & monitoring of Annual Budgets through monthly review for all operating & service functions.
- MA&AS department prepares 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 which runs on an online monitoring system.
- The Company has a well-defined delegation of power with authority limits for approving revenue & capex expenditure which is reviewed and suitably amended on an annual basis
- The Company uses Enterprise Resource Planning (ERP) System (SAP) to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information.
- Apart from having all policies, procedures and internal audit mechanism in place, Company periodically engages outside experts to carry out an independent review of the effectiveness of various business processes and invite suggestions for process improvements.
- 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 of the Board of Directors regularly reviews execution of Audit Plan, the adequacy & effectiveness of internal audit systems, and monitors implementation of internal audit recommendations including those relating to strengthening of Company's risk management policies & systems.

9. 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.

Net profit for FY 2020-21 was

₹5,049

crore compared to ₹3,785 crore in the previous financial year.

Conversion factors

Grid power	Emission factor (tCO_2/MWh)	0.82	1
	Conversion factor (kWh to GJ)	0.0036	2
Diesel	Net calorific value (TJ/Gg)	43	3
	Density (Kg/L)	0.8325	4
	Conversion factor (L to GJ)	0.03579	6
	CO^2 emission factor (Kg CO_2e/TJ)	74100	3
	CH_4 emission factor (Kg CO_2e/TJ)	3.9	7
	N_2O emission factor (Kg CO_2e/TJ)	3.9	7
Petrol	Net calorific value (TJ/Gg)	44.3	3
	Density (Kg/L)	0.7475	5
	Conversion factor (L to GJ)	0.03311	6
	CO_2 emission factor (Kg CO_2e/TJ)	69300	3
	CH_4 emission factor (Kg CO_2e/TJ)	33	7
	N_2O emission factor (Kg CO_2e/TJ)	3.2	7
Furnace oil	Net calorific value (TJ/Gg)	40.4	3
	Density (Kg/L)	0.95	8
	Conversion factor (L to GJ)	0.03838	6
	CO_2 emission factor (Kg CO_2e/TJ)	77400	3
	CH_4 emission factor (Kg CO_2e/TJ)	7	7
	N_2O emission factor (Kg CO_2e/TJ)	2	7
Heavy fuel oil	Net calorific value (TJ/Gg)	40.4	3
	CO_2 emission factor (Kg CO_2e/TJ)	77400	3
	CH_4 emission factor (Kg CO_2e/TJ)	7	7
	N_2O emission factor (Kg CO_2e/TJ)	2	7
Jet kerosene	Net calorific value (TJ/Gg)	44.1	3
	Density (Kg/L)	0.789	9
	Conversion factor (L to GJ)	0.03479	6
	CO_2 emission factor (Kg CO_2e/TJ)	71500	3
	CH_4 emission factor (Kg CO_2e/TJ)	0.5	7
	N_2O emission factor (Kg CO_2e/TJ)	2	7
Acetylene	Conversion factor (m3 to Kg)	1.1	10
	Net calorific value (GJ/Kg)	0.0499	10
	Emission factor (Kg CO_2e/Kg)	3.39	10
PNG	Emission factor (Kg CO_2e/MMBTU)	53.06	11
LPG	Net calorific value (TJ/Gg)	47.3	3
	CO_2 emission factor (Kg CO_2e/TJ)	63100	3
	CH_4 emission factor (Kg CO_2e/TJ)	1	7
	N_2O emission factor (Kg CO_2e/TJ)	0.1	7
R22	Global warming potential	1810	12
R134a	Global warming potential	1430	12
R407c	Global warming potential	1774	11
R410	Global warming potential	2088	11
Air travel	tCO_2e./Pax-km	0.000121	13
Rail travel	tCO_2e./Pax-km	0.00000795	14
Rail transport	tCO_2e./Ton-km	0.000009504	14
T & D losses	T & D Losses percentage	20.66%	15
Methane	Global warming potential	28	12
N_2O	Global warming potential	265	12

Reference

1	http://www.cea.nic.in/reports/others/thermal/tpece/cdm_co2/user_guide_ver13.pdf
2	https://www.aqua-calc.com/convert/power/kilowatt-to-gigajoule-per-hour
3	https://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/2_Volume2/V2_1_Ch1_Introduction.pdf
4	https://bharatpetroleum.com/Our-Businesses/I&C/Industrial-Fuel-Products/Fuels.aspx
5	https://www.bharatpetroleum.com/our-businesses/industrial-&-commercial/conversion-table.aspx
6	Calculated - (NCV*Density/1000)
7	https://www.ipcc-nggip.iges.or.jp/public/2006gl/
8	https://beeindia.gov.in/sites/default/files/2Ch1.pdf
9	Taken from Fuel Provider
10	https://b8f65cb373b1b7b15feb-c70d8ead6ced550b4d987d7c03fcdd1d.ssl.cf3.rackcdn.com/cms/guidance_docs/pdfs/000/000/469/original/CDP-Scope-3-Category11-Guidance-Oil-Gas.pdf?1479754082
11	https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf
12	https://www.ipcc.ch/site/assets/uploads/2018/02/SYR_AR5_FINAL_full.pdf
13	https://indiaghgp.org/sites/default/files/AIR%20Transport%20Emission.pdf
14	https://indiaghgp.org/sites/default/files/Rail%20Transport%20Emission.pdf
15	https://cea.nic.in/wp-content/uploads/pdm/2020/12/growth_2020.pdf

GRI content index

GENERAL DISCLOSURES:

Indicator	Disclosure	Chapter Name	Page No.
Organisation Profile			
102-1	Name of the organisation	Our Business	6
102-2	Activities, brands, products, and services	APSEZ's integrated universe	6-15
		The Adani Group	20-23
102-3	Location of headquarters	Corporate information	260
102-4	Location of operations	APSEZ's integrated universe	9-14
102-5	Ownership and legal form	Approach to Integrated Reporting	16-17
		Notes on standalone financial information	328
102-6	Markets served	Corporate Snapshot	6-14
102-7	Scale of the organisation	APSEZ's value enhancing model, FY 2020-21	62
		Financial Highlights	95
102-8	Information on employees and other workers	Our Business Model	96
		knowledge capital	180
		Occupational health and safety	186
102-9	Supply chain	How we developed the sustainable supply chain	170-174
102-10	Significant changes to the organisation and its supply chain	Corporate Snapshot	5-6
		Our Performance	74-77
102-11	Precautionary Principle or approach	Risk Management	112-122
102-12	External initiatives	Our Guiding Focus	110
102-13	Membership of associations	Advocacy and Leadership	103
Strategy			
102-14	Statement from senior decision-maker	Chairman's Message	28-33
		CEO's Message	34-40
102-15	Key impacts, risks and opportunities	Materiality: Issues that Impact Value creation	104-111
		Risk Management: Prominent Risks	114-117
		Environment, Social and Governance	130-175
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behavior	Vision and Values	18-19
102-17	Mechanisms for advice and concerns about ethics	Knowledge Capital	179-181
		Grievance Redressal	102
		Code of conducts and ethics framework	216
Governance			
102-18	Governance structure	Governance	214-221
102-19	Delegating authority	Governance	214-221
102-20	Executive-level responsibility for economic, environmental and social topics	Governance	216-217
102-21	Consulting stakeholders on economic, environmental, and social topics	Governance	216-217
102-22	Composition of the highest governance body and its committees	Governance	214-221
102-23	Chair of the highest governance body	Governance	214-221
102-24	Nominating and selecting the highest governance body	Governance	214-221

Indicator	Disclosure	Chapter Name	Page No.
102-25	Conflicts of interest	Other Disclosures	298-299
102-26	Role of highest governance body in setting purpose, values and strategy	Governance	214-221
102-27	Collective knowledge of highest governance body	Governance	214-221
102-28	Evaluating the highest governance body's performance	Governance	214-221
102-29	Identifying and managing economic, environmental, and social impacts	Governance	216-217
102-30	Effectiveness of risk management processes	Risk Management	116-126
102-31	Review of economic, environmental, and social topics	Governance	216-217
102-32	Highest governance body's role in sustainability reporting	Governance	216-217
102-33	Communicating critical concerns	Risk management	116-129
		Governance	216-217
102-34	Nature and total number of critical concerns	Major Controversies	128-129
102-35	Remuneration policies	Remuneration Policy	287-288
102-36	Process for determining remuneration	Secretarial Audit Report	273
102-37	Stakeholders' involvement in remuneration	Sustainable Platform	179
102-38	Annual total compensation ratio	Secretarial Audit Report	273
102-39	Percentage increase in annual total compensation ratio	Secretarial Audit Report	273
Stakeholder Engagement			
102-40	List of stakeholder groups	Stakeholder Engagement	100-103
102-41	Collective bargaining agreement	Sustainable Platform: Freedom of Association	181
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	100-103
102-43	Approach to stakeholder engagement	Stakeholder Engagement	100-103
102-44	Key topics and concerns raised	Materiality	104-105
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Form – AOC - 1	532-537
102-46	Defining report content and topic Boundaries	Approach to Integrated Reporting	16-17
102-47	List of material topics	Materiality	104-105
102-48	Restatements of information	Climate change and energy	137-139
102-49	Changes in reporting	Approach to Integrated Reporting	16-17
102-50	Reporting period	Approach to Integrated Reporting	16-17
102-51	Date of most recent previous report	Approach to Integrated Reporting	16-17
102-52	Reporting cycle	Approach to Integrated Reporting	16-17
102-53	Contact point for questions regarding the report	Address for Correspondence	295
102-54	Claims of reporting in accordance with the GRI Standards	Approach to Integrated Reporting	16
		Independent Assurance Statement	239
102-55	GRI content index	GRI Content Index	244-251
102-56	External assurance	Independent Assurance Statement	257-259

SPECIFIC DISCLOSURES

Material Topic	Disclosure	Chapter Name	Page No.
Economic			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Corporate Snapshot	6-7
		The APSEZ Business Model	96-98
	GRI 103-3: Evaluation of the management approach	Performance Review	15
GRI 201: Economic Performance 2016 **SDG 8**	Disclosure 201-1: Direct economic value generated and distributed	Our Performance	74-77
		Consolidated statement of profit and loss	415
	Disclosure 201-2: Financial implications and other risks and opportunities for the organisation's activities due to climate change	Our Risk management discipline	116-126
		Climate and Energy Management	134-149
	Disclosure 201-3: Defined benefit plan obligations and other retirement plans	Notes to the Financial Consolidated Financial statement	446-477
	Disclosure 201-4: Financial assistance received from government	Notes to the Financial Consolidated Financial statement	432
Procurement Practices			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	How we developed Sustainable Supply Chain	170-174
	GRI 103-3: Evaluation of the management approach	How we developed Sustainable Supply Chain	170-174
GRI 204: Procurement Practices 2016 **SDG 8**	Disclosure 204-1: Proportion of spending on local suppliers	How we developed Sustainable Supply Chain	174
Anti-Corruption and Anti-Competitive Behavior			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Knowledge Capital	180-181
		Governance	214-216
	GRI 103-3: Evaluation of the management approach	Governance	212-221
GRI 205: Anti-corruption 2016 **SDG 16**	Disclosure 205-1: Operations assessed for risks related to corruption	Governance	212-221
	Disclosure 205-2: Communication and training about anti-corruption policies and procedures		
	Disclosure 205-3: Confirmed incidents of corruption and actions taken		

Material Topic	Disclosure	Chapter Name	Page No.
GRI 206: Anti-competitive behavior 2016 **SDG 16**	Disclosure 206-1: Legal actions for anti-competitive behavior, antitrust, and monopoly practices	Knowledge Capital	179-181
		Governance	214-221
Environmental			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Materiality	104-105
		Environment-Social-Governance	131-162
	GRI 103-3: Evaluation of the management approach	Materiality	104-105
		Environment-Social-Governance	131-162
GRI 302: Energy 2016 **SDG 7, 13**	Disclosure 302-1: Energy consumption within the organisation	Climate Change and Energy	134-143
	Disclosure 302-2: Energy consumption outside of the organisation	Climate Change and Energy	134-143
	Disclosure 302-3: Energy intensity	Climate Change and Energy	134-143
	Disclosure 302-4: Reduction of energy consumption	Climate Change and Energy	134-143
	Disclosure 302-5: Reduction in energy requirements of products and services	This disclosure is not applicable since we are in business of providing logistics support to our customers.	
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Water Strategy and Performance	144-149
	GRI 103-3: Evaluation of the management approach	Water Strategy and Performance	144-149
GRI 303: Water and Effluents 2018 **SDG 6**	Disclosure 303-1: Interactions with water as a shared resource	Water Strategy and Performance	144-149
	Disclosure 303-2: Management of water discharge-related impacts	Water Strategy and Performance	144-149
		Zero Effluent Discharge	159
	Disclosure 303-3: Water withdrawal	Water Strategy and Performance	144-149
	Disclosure 303-4: Water discharge	Water Strategy and Performance	144-149
		Zero Effluent Discharge	159
	Disclosure 303-5: Water Consumption	Water Strategy and Performance	144-149

Material Topic	Disclosure	Chapter Name	Page No.
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Climate Change and Energy	134-143
	GRI 103-3: Evaluation of the management approach	Climate Change and Energy	134-143
GRI 305: Emissions 2016 **SDG 7, 13**	Disclosure 305-1: Direct (Scope 1) GHG emissions	Our Business Model	95-97
		Climate Change and Energy	134-143
	Disclosure 305-2: Energy indirect (Scope 2) GHG emissions	Our Business Model	95-97
		Climate Change and Energy	134-143
	Disclosure 305-3: Other indirect greenhouse gas (GHG) emissions (Scope 3)	Our Business Model	95-97
		Climate Change and Energy	134-143
	Disclosure 305-4: Greenhouse gas (GHG) emissions intensity	Our Business Model	95-97
		Climate Change and Energy	134-143
	Disclosure 305-5: Reduction of greenhouse gas (GHG) emissions	Our Business Model	95-97
		Climate Change and Energy	134-143
	Disclosure 305-6: Emissions of ozone-depleting substances (ODS)	Climate Change and Energy	134-143
	Disclosure 305-7: NOx, SOx, and other significant air emissions	Air and noise management	160
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Waste strategy and performance	149-153
	GRI 103-3: Evaluation of the management approach	Waste strategy and performance	149-153
Social			
GRI 306: Effluents and Waste **SDG 15**	Disclosure 306-1: Total water discharge by quality and destination	Waste strategy and performance	149-153
	Disclosure 306-2: Total weight of waste by type and disposal method	Waste strategy and performance	149-153
	Disclosure 306-3: Total number and volume of significant spills	Waste strategy and performance	149-153
	Disclosure 306-4: Transport of hazardous waste	Waste strategy and performance	149-153
	Disclosure 306-5: Water bodies affected by water discharges and/or runoff	Zero Effluent Discharge	159

Material Topic	Disclosure	Chapter Name	Page No.
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Environmental Compliance	160-162
	GRI 103-3: Evaluation of the management approach	Environmental Compliance	160-162
GRI 307: Environmental Compliance 2016 **SDG 6, 7, 13, 15**	Disclosure 307-1: Non-compliance with environmental laws and regulations	Environmental Compliance	160-162
Social			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Knowledge Capital	176-182
	GRI 103-3: Evaluation of the management approach	Knowledge Capital	176-182
GRI 401: Employment 2016 **SDG 3**	Disclosure 401-1: Total number and rates of new employee hires and employee turnover by age group, gender, and region	Knowledge Capital	176-182
	Disclosure 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Knowledge Capital	176-182
GRI 401: Employment 2016 **SDG 3**	Disclosure 401-3: Return to work and retention rates after parental leave, by gender	Knowledge Capital	176-182
Occupational Health & Safety			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Occupational health and safety	183-190
	GRI 103-3: Evaluation of the management approach	Occupational health and safety	183-190

Material Topic	Disclosure	Chapter Name	Page No.
GRI 403: Occupational Health & Safety 2018 **SDG 3**	Disclosure 403-1: Occupational health and safety management system	Materiality	104-105
		ESG Outlook	109
		Occupational health and safety	183-190
	Disclosure 403-2: Hazard identification, risk assessment, and incident investigation	Materiality	104-105
		Occupational health and safety	183-190
	Disclosure 403-3: Occupational health services	Occupational health and safety	183-190
	Disclosure 403-4: Worker participation, consultation, and communication on occupational health and safety	Occupational health and safety	183-190
	Disclosure 403-5: Worker training on occupational health and safety	Occupational health and safety	183-190
	GRI 403-6: Promotion of worker health	Occupational health and safety	183-190
	Disclosure 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational health and safety	183-190
	Disclosure 403-8: Workers covered by an occupational health and safety management system	Occupational health and safety	183-190
	Disclosure 403-9: Work-related injuries	Occupational health and safety	183-190
	Disclosure 403-10: Work-related ill health	Occupational health and safety	183-190
Training and Education			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Knowledge Capital	176-182
	GRI 103-3: Evaluation of the management approach	Knowledge Capital	176-182
GRI 404: Training and Education 2016 **SDG 3**	Disclosure 404-1: Average hours of training per year per employee	Business Model	95-98
		Goals and targets	107
		Knowledge Capital	176-182
	Disclosure 404-2: Programs for upgrading employee skills and transition assistance programs	Knowledge Capital	176-182
	Disclosure 404-3: Percentage of employees receiving regular performance and career development reviews	Knowledge Capital	176-182

Material Topic	Disclosure	Chapter Name	Page No.
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Knowledge Capital	176-182
	GRI 103-3: Evaluation of the management approach	Knowledge Capital	176-182
GRI 409: Forced or Compulsory Labor	Disclosure 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	Knowledge Capital	176-182
		Vendor Development	170
Human Rights Assessment			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Knowledge Capital	176-182
		Vendor Development	170-174
	GRI 103-3: Evaluation of the management approach	Knowledge Capital	176-182
		Vendor Development	170-174
GRI 412: Human Rights Assessment 2016	GRI 412-1 Operations that have been subject to human rights reviews and impact assessments	Knowledge Capital	176-182
	GRI 412-2 Employee training on Human rights policies or procedures	Knowledge Capital	176-182
	GRI 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	APSEZ will conduct human rights due diligence across the supply chain.	
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Corporate Social Responsibility	192-211
	GRI 103-3: Evaluation of the management approach	Corporate Social Responsibility	192-211
GRI 413: Local Communities 2016 **SDG 1, 2, 3**	Disclosure 413-1: Operations with local community engagement, impact assessments, and development programs	Ensuring Stakeholder Trust	163
		Corporate Social Responsibility	192-211
	Disclosure 413-2: Operations with significant actual and potential negative impacts on local communities	Corporate Social Responsibility	192-211
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundaries	Approach to Integrated Reporting	16-17
		Materiality	104-105
	GRI 103-2: The management approach and its components	Corporate Social Responsibility	192-211
	GRI 103-3: Evaluation of the management approach	Corporate Social Responsibility	192-211
GRI 419: Socioeconomic Compliance 2016 **SDG 1, 2, 3, 4**	Disclosure 419-1: Non-compliance with laws and regulations in the social and economic area	Ensuring Stakeholder Trust	163-211

Mapping With United Nations Global Compact Principles

UN Global Compact Principles	Chapter Name	Page No.
Principle 1: Human Rights		
Businesses should support and respect the protection of internationally proclaimed human rights.	Sustainable platform	178-182
Principle 2: Human Rights		
Businesses should make sure they are not complicit in human rights abuses	CEO's Message	34-40
	Sustainable Platform: Human Rights Commitment	181
Principle 3: Labour		
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Sustainable platform: Freedom of Association	181
Principle 4: Labour		
Businesses should uphold the elimination of all forms of forced and compulsory labour.	Sustainable Platform: Human Rights Commitment	181
Principle 5: Labour		
Businesses should uphold the effective abolition of child labour	Sustainable Platform: Human Rights Commitment	181
Principle 6: Labour		
Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Sustainable Platform: Human Rights Commitment	181
Principle 7: Environment		
Businesses should support a precautionary approach to environmental challenges.	Our Risk Management Discipline	116-126
	Environment-Social- Governance	132-162
Principle 8: Environment		
Businesses should undertake initiatives to promote greater environmental responsibility	Climate Change and Energy	134-143
	Water strategy and performance	144-148
	Waste strategy and performance	149-153
	Biodiversity conservation	154-159
	Air and noise management	160
	Environmental compliance	160-162
Principle 9: Environment		
Businesses should encourage the development and diffusion of environmentally friendly technologies.	Climate Change and Energy	134-143
	Water strategy and performance	144-148
	Waste strategy and performance	149-153
	Biodiversity conservation	154-159
Principle 10: Anti-corruption		
Businesses should work against corruption in all its forms, including extortion and bribery.	Guiding Compass: APSEZ Code of Conduct	180-181
	Governance	212-217

Mapping With IBBI Reporting Framework

Indicator		Chapter Name	Page No.
1	**Mapping biodiversity interfaces with business operations**		
1.1	Number of production sites that have been screened with regard to relevance of potential impacts and dependencies on biodiversity and ecosystem services	All the 9 ports of APSEZ are screened for biodiversity and ecosystem services	

Indicator		Chapter Name	Page No.
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	154-159
2	**Enhancing awareness on biodiversity within the organisation**		
2.1	Number of trained employees on biodiversity and ecosystem services	840 manhours at Shikhar - 35 Environmental Professionals; 96 manhours at NEERI for Ecology & Biodiversity training - 4 Persons; 160 manhours - National Law School of India University - 4 Environmental Professional; 704 Mahours - 77 Horticulture, Environment and Sustainability Team members; 72 manhours at CII's Environmental Impact Assessment Training - 3 Environmental Professional (refer page no. 154-159).	
2.2	Percentage of employees within organisation who have been sensitised on biodiversity	Through IUCN - Leaders for Nature, we organised three days biodiversity sensitisation programmes that were open for all employees. Such sessions are organised periodically.	
2.3	Activities undertaken to create greater awareness on biodiversity among employees	Biodiversity Conservation	154
3	**Assessing biodiversity risks and opportunities**		
3.1	Assessment of impacts and dependencies with regard to biodiversity and ecosystem services	Land, water and biodiversity related impact management	153
		Biodiversity Conservation	154-159
3.2	Assessment of risks and opportunities with regard to biodiversity and ecosystem services	Our Risk Management Framework	116-126
		Issues that influence value creation	104-105
4	**Considering the impacts of business decisions on biodiversity**		
4.1	Organisation-wide policy that addresses biodiversity and ecosystem services	APSEZ does not have separate Biodiversity Policy however, Environmental Policy covers the aspects of biodiversity conservation. (refer page No. 154)	
5	**Setting objectives and targets for biodiversity management**		
5.1	Strategy for biodiversity and ecosystem management	Goals and Targets	107
5.2	Action Plan to avoid, minimise, rehabilitate and offset biodiversity impacts	Land, water and biodiversity related impact management	153
		Biodiversity Conservation	154-159

Indicator		Chapter Name	Page No.
6	**Designating an individual within the organisation as biodiversity champion**		
6.1	Name, title and contact details of designated biodiversity champion	Mr. Shalin Shah, Chief Sustainability Officer – APSEZ has been entrusted as Biodiversity Champion at Corporate level.	
7	**Including the applicable biodiversity aspects in the environmental management systems**		
7.1	Inclusion of biodiversity aspects in environmental management system	Social & Environmental Due diligence- ESMS implementation for all sites in process	109
		Biodiversity Conservation	154
8	**Encouraging relevant stakeholders to support better biodiversity management**		
8.1	Activities undertaken for/with suppliers	Currently we are screening our vendors on ESG criterion. We are engaging with them on various ESG aspects to align them with our ESG initiatives.	
8.2	Activities undertaken for/with customers and consumers	We are engaging with our customers on various ESG aspects to align them with our ESG initiatives.	
8.3	Activities for/with other internal and external stakeholders, if any	Biodiversity Conservation	154-159
9	**Engaging in policy advocacy and dialogue with Government, NGOs and academia on biodiversity concerns**		
9.1	Engagement through various platforms (e.g. sharing of best practice, research partner, sponsor)	Biodiversity Conservation	154-159
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. APSEZ participated in dialogues with authorities, NGOs and industry partners like 'Post 2020 Global Biodiversity Framework and Business opportunities' etc. APSEZ also engages with IUCN for discussion on policy advocacy and became a member of Leaders for Nature Programme of IUCN.	
10	**Initiating the valuation of relevant biodiversity and ecosystem services**		
10.1	Valuation of impacts (positive and negative) and dependencies (direct and indirect)	Sustainable Value Chain	132-133

Mapping with Commitments to CEO Water Mandate

Mandate and its pledges	Chapter Name	Page No.
Direct operations		
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 Strategy and Performance	144
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.	Goals and Targets	107-109
The Company pledges to invest in and use new technologies to achieve these goals.	Water Strategy and Performance	144-145
The Company pledges to raise awareness of water sustainability within corporate culture.	Water Strategy and Performance	144-145
The Company pledges to include water sustainability considerations in business decision making – e.g., facility-siting, due diligence, and production processes.	Water Strategy and Performance	144-145
Supply chain and watershed management		
The Company pledges to encourage suppliers to improve their water conservation, quality monitoring, waste-water treatment, and recycling practices.	All the suppliers must adhere with our Supplier Code of Conduct, which covers our environment policy.	
The Company pledges to build capacities to analyse and respond to watershed risk	Water Strategy and Performance	144
The Company pledges to encourage and facilitate suppliers in conducting assessments of water usage and impacts.	All the suppliers must adhere with our Supplier Code of Conduct, which covers our environment policy.	
The Company pledges to share water sustainability practices – established and emerging – with suppliers.	Water Strategy and Performance	144-145
The Company pledges to encourage major suppliers to report regularly on progress achieved related to goals.	All the suppliers must adhere with our Supplier Code of Conduct, which covers our environment policy.	
Collective action		
The Company pledges to build closer ties with civil society organisations, especially at the regional and local levels.	Corporate Social Responsibility	192-211
	Water Strategy and Performance	144-148
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 Strategy and Performance	144-145
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 Strategy and Performance	144-146
The Company pledges to be actively involved in the UN Global Compact's Country Networks.	Water Strategy and Performance	144-146
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 Strategy and Performance	144-149

Mandate and its pledges	Chapter Name	Page No.
Public policy		
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	103
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	103
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	103
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	103
	Water Strategy and Performance	144-147
Community engagement		
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	193-201
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	193-201
The Company pledges to undertake water-resource education and awareness campaigns in partnership with local stakeholders.	Corporate Social Responsibility	193-201
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	193-204
Transparency		
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 Strategy and Performance	144-148
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 Strategy and Performance	144-148
	Goals and Targets	107
The Company pledges to be transparent in dealings and conversations with governments and other public authorities on water issues.	Water Strategy and Performance	144-148
	Environmental Compliance	160-162

Ernst & Young Associates LLP
5th Floor, Block B-2
Nirlon Knowledge Park
Off. Western Express Highway
Goregaon (E), Mumbai - 400063, India

Tel: +91 22 6192 0000
Fax: +91 22 6192 3000
ey.com

Building a better working world

INDEPENDENT ASSURANCE STATEMENT

The Board of Directors and Management
Adani Ports and Special Economic Zone Limited,
Ahmedabad, India.

Ernst & Young Associates LLP (EY) was engaged by Adani Ports and Special Economic Zone Limited (the 'Company') to provide independent assurance on its Integrated Report FY 2020-21 (the 'Report') covering salient features of business as well as sustainability, including performance during the period 1st April 2020 to 31st March 2021.

The development of the Report, based on the <IR> Integrated Reporting Framework by International Integrated Reporting Council (IIRC) and the Global Reporting Initiative (GRI) Standards, and its subsequent updates in 2018 and 2020; its content and presentation is the sole responsibility of the management of the Company. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The assurance statement should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

Scope of assurance
The scope of assurance covers the following aspects of the Report:

- Data and information related to the Company's sustainability performance for the period 1st April 2020 to 31st March 2021;
- The Company's internal protocols, processes, and controls related to the collection and collation of sustainability performance data;
- Remote Verification of data and related information through consultations at the Company's Head Office in Ahmedabad and desktop review of the following entities reported data:
  - Adani Murmugao Port Terminal Pvt. Ltd.
  - Adani Kattupalli Port Ltd.
  - Marine Infrastructure Developer Pvt. Ltd.
  - Adani Ennore Container Terminal Pvt. Ltd.
  - Adani Vizag Coal 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 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.
  - MPSEZ Utilities Ltd.
  - Adani Hospital Mundra Pvt. Ltd.
  - Mundra SEZ Textile and Apparel Park Pvt. Ltd.

- Review of data on a sample basis, of the entities listed above pertaining to the following specific disclosures of the GRI Standards:
    - Environmental Topics: Energy (302-1, 302-2, 302-3, 302-4), Water (303-3, 303-4, 303-5), Emissions (305-1, 305-2, 305-3, 305-4, 305-5, 305-6), Waste (306-2: GRI 2016);
    - Social Topics: Employment (401-1), Occupational Health and Safety (403-5, 403-9), Training and Education (404-1), Local communities (413-1).

Limitations of our review

The assurance scope excludes:

- Operations of the Company other than those mentioned in the 'Scope of Assurance';
- Aspects of the Report and data/information other than those mentioned above;
- Data and information outside the defined reporting period i.e. 1st April 2020 to 31st March 2021;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- Review of the Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters;
- Data and information on economic and financial performance of the Company.

Assurance criteria

The assurance engagement was planned and performed in accordance with the International Federation of Accountants' 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). Our evidence-gathering procedures were designed to obtain a 'Limited' level of assurance (as set out in ISAE 3000) on reporting principles and a 'Type 2, Moderate' level of assurance (as per AA1000 AS), as well as conformance of the disclosures to the specified GRI Standards.

What we did to form our conclusions

In order to form our conclusions we undertook the following key steps:

- Interviews with select key personnel and the core team responsible for the preparation of the Report to understand the Company's sustainability vision, mechanism for management of sustainability issues and engagement with key stakeholders;
- Interactions with the key personnel at the Company's port operations to understand and review the current processes in place for capturing sustainability performance data;
- Physical audits and desktop reviews of port locations and the Company's corporate office as mentioned in the 'Scope of Assurance' above;
- Review of relevant documents and systems for gathering, analyzing and aggregating sustainability performance data in the reporting period;
- Review of the Report for detecting, on a test basis, any major anomalies between the data/information reported in the Report and the relevant source.

Our Observations

The Company has developed the Report in accordance with the <IR> Integrated Reporting Framework by International Integrated Reporting Council (IIRC) and the Global Reporting Initiative (GRI)

Building a better working world

Standards. The Report includes a description of the Company's stakeholder engagement, materiality assessment and relevant performance disclosures on the material topics. Some data pertaining to key performance disclosures underwent change as part of our assurance process. The company may consider strengthening its internal guidance on sustainability indicators to ensure uniform reporting from all its Logistics and Agri-Logistics business locations.

Our Conclusion

On the basis of our review scope and methodology, 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.

Further, nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in keeping with the IIRC and GRI Standards, and the Company's reporting principles and criteria.

Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our climate change and sustainability network and undertakes similar engagements with a number of significant Indian and international businesses. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics[1] for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

for Ernst & Young Associates LLP,

Chaitanya Kalia
Partner
17.06.2021
Mumbai

AA1000
Licensed Report
000-43/V3-2KSO2

[1] International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. This *Code* establishes ethical requirements for professional accountants.

Corporate Information

Board of Directors

Mr. Gautam S. Adani
Chairman and Managing Director

Mr. Rajesh S. Adani
Non-Independent and Non-Executive Director

Mr. Karan Adani
CEO and Whole-Time Director

Dr. Malay Mahadevia
Whole-Time Director

Mrs. Avantika Singh Aulakh, IAS
Non-Independent and Non-Executive Director

Prof. Ganesan Raghuram
Independent and Non-Executive Director

Mr. Gopal Krishna Pillai
Independent and Non-Executive Director

Mr. Bharat Sheth
Independent and Non-Executive Director

Mrs. Nirupama Rao
Independent and Non-Executive Director

Mr. P. S. Jayakumar
Independent and Non-Executive Director

Key Managerial Personnel

Mr. Deepak Maheshwari
Chief Financial Officer
(Resigned w.e.f May 5, 2021)

Mr. Kamlesh Bhagia
Company Secretary

Auditors

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants
Ahmedabad, Gujarat.

Registered Office

Adani Corporate House, Shantigram,
Near Vaishno Devi Circle, S. G. Highway, Khodiyar,
Ahmedabad-382421 Gujarat
CIN: L63090GJ1998PLC034182

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.
Bank of America N.A.
Barclays Bank PLC
Citibank N.A.
DZ Bank AG
Germany Export-Import Bank of India
HDFC Bank Ltd.
Hamburg Commercial Bank AG
ICICI Bank Ltd.
IDFC First Bank Ltd.
IndusInd Bank Ltd.
Kotak Mahindra Bank Ltd.
Mizuho Bank Ltd.
State Bank of India
MUFG Bank Ltd.
JP Morgan Chase Bank, N.A.
Yes Bank Ltd.
Sumitomo Mitsui Banking Corporation

IMPORTANT COMMUNICATION TO MEMBERS

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 members. To support this green initiative of the Government in full, the members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses and in case of members holding shares in demat, with depository through concerned Depository Participants.

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 22nd Annual Report along with the audited financial statements of your Company for the financial year ended March 31, 2021.

Financial Performance

The audited financial statements of the Company as on March 31, 2021 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 provisions of the Companies Act, 2013 ("Act").

The summarised financial highlight is depicted below: (₹ in crore)

Particulars	Consolidated		Standalone	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations	12,549.60	11,873.07	4,377.15	4,643.28
Other Income	1,970.23	1,861.35	2,266.31	2,902.97
Total Income	**14,519.83**	**13,734.42**	**6,643.46**	**7,546.25**
Expenditure other than Depreciation and Finance cost	4,566.16	4,307.68	1,506.27	1,627.64
Depreciation and Amortisation Expenses	2,107.34	1,680.28	619.18	553.29
Foreign Exchange (Gain) / Loss (net)	(715.24)	1,626.38	(718.48)	1,581.71
Finance Cost				
- Interest and Bank Charges	2,129.16	1,950.64	2,201.15	1,878.55
- Derivative (Gain)/Loss	126.13	(137.50)	125.70	(126.67)
Total Expenditure	**8,213.55**	**9,427.48**	**3,733.82**	**5,514.52**
Profit before share of Profit/ (Loss) from joint ventures, exceptional items and tax	**6,306.28**	**4,306.94**	**2,909.64**	**2,031.73**
Share of loss from joint ventures	(14.27)	(4.39)	-	-
Profit before exceptional items and tax	**6,292.01**	**4,302.55**	**2,909.64**	**2,031.73**
Add/(Less):- Exceptional Items	-	(58.63)	-	-
Total Tax Expense	1,243.27	459.39	981.71	97.48
Profit for the year	**5,048.74**	**3,784.53**	**1,927.93**	**1,934.25**
Other Comprehensive income (net of tax)	**(15.92)**	**36.62**	**8.18**	**11.31**
Total Comprehensive Income for the year (net of tax)	**5,032.82**	**3,821.15**	**1,936.11**	**1,945.56**
Attributable to:				
Equity holders of the parent	4,978.82	3,800.19	-	-
Non-controlling interests	54.00	20.96	-	-

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

Performance Highlights

Your Company handled record cargo throughput of 247 MMT in FY 2020-21. Mundra Port continues to rank 1st in terms of total cargo handling and 2nd in terms of container cargo handling during the year under review. The other ports developed and being operated by your Company at Hazira, Tuna, Dhamra and Ennore have also performed well.

The key aspects of your Company's consolidated performance during the FY 2020-21 are as follows:

- Handled cargo of 247 MMT, a growth of 11% year-on-year basis.
- Container volume crossed 7.2 million TEUs an increase of 16% on year-on-year basis. Market share of APSEZ in container has increased to 41% of All India container volume in FY 2020-21.
- Consolidated revenue from operations stood at ₹ 12,549.60 crore in FY 2020-21.
- Profit after tax for the FY 2020-21 stood at ₹ 5,048.74 crore.

The detailed operational performance of the Company has been comprehensively discussed in the Management Discussion and Analysis Report which forms part of this Report.

Covid-19

Due to outbreak of Covid-19 globally and in India, the Company's management has made assessment of likely impact on business and financial risks based on internal and external sources. The management has also considered the possible effects of Covid-19 on the carrying amounts of its financial and non-financial assets and debt covenants using reasonably available information, estimates and judgments and has determined that none of these balances require a material adjustment to their carrying values, and that the management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall.

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 FY 2020-21. The said dividend, if approved by the members, would involve a cash outflow of ₹ 1,020.88 crore.

The dividend recommended is in accordance with the Company's Dividend Distribution and Shareholder Return Policy.

Transfer to Reserves

The closing balance of the retained earnings of the Company for FY 2020-21, after all appropriations and adjustments was ₹ 17,128.30 crore.

Senior Unsecured Notes ('Notes') Issuance - Rule 144A/Regulation S Offerings

During the year under review, your Company has issued USD 750 million 4.20% Senior Unsecured Notes due 2027 and USD 500 million 3.10% Senior Unsecured Notes due 2031.

From the proceeds of issuance of USD 500 million Notes, the Company has announced the redemption of its USD 500 million 3.95% Senior Unsecured Notes due 2022, out of which USD 321.174 million Notes were redeemed through cash tender offer and the balance USD 178.826 million Notes were redeemed pursuant to the terms of the trust deed.

These Notes are rated Baa3 by Moody's, BBB- by S&P and BBB- by Fitch.

Status of Scheme of Arrangement

During the year under review, the Board of Directors at its meeting held on March 3, 2021 had approved the Composite Scheme of Arrangement between Adani Ports and Special Economic Zone Ltd 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") under sections 230 to 232 and other applicable provisions of the Act –

(a) amalgamation of Brahmi with APSEZ, with effect from the Appointed Date 1 i.e. April 1, 2021, pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act.

(b) amalgamation of Adani Tracks with Sarguja, with effect from the Appointed Date 2 i.e. April 2, 2021, pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act.

(c) transfer of the Divestment Business Undertaking (Mundra Rail Business), as a going concern on Slump Sale basis, with effect from the Appointed Date 2 i.e. April 2, 2021, by APSEZ to Sarguja, for a lump sum consideration under Sections 230-232 and/or other applicable provisions of the Act and in accordance with Section 2(42C) of the Income Tax Act.

(d) upon the Scheme becoming effective, the name of Sarguja, shall stand changed to "Adani Tracks Management Services Pvt. Ltd."

(e) various other matters consequential or otherwise integrally connected with the Scheme.

Rationale/ objective of the Scheme:

(a) Over the years, there has been growth in the logistic sector. The Government of India has also come out with various public private participation schemes to efficiently meet the increasing demand in the logistics sector. With Dedicated Freight Corridor implementation, the rail share is expected to increase meaningfully. Thus, there is a significant opportunity in developing the rail assets considering the growth demand and infrastructure build requirement.

(b) It is the objective of APSEZ to (i) consolidate the rail assets under one entity which will diligently work for the development, maintenance and operation of existing and new railway lines across the country; (ii) tap private partnership opportunity for developing the first mile – last mile connectivity and increasing the network capacity for rail transport; and (iii) create center of excellence to bring best practices, operational efficiency, technology integration and common skill set.

(c) The Scheme will result in, inter alia, the following benefits:

(i) consolidation of the rail business, productive utilization of combined resources, operational and administrative efficiencies, economics of scale, reduction in overheads and other expenses, reduction in the multiplicity of legal and regulatory compliances and consequential creation of greater value for shareholders and all other stakeholders;

(ii) track footprint of Sarguja will supplement to APSEZ's strategy of providing end to end logistics for hinterland to hinterland cargo movement;

(iii) availability of expanded business pre-qualifications, increased net worth to enable to bid for larger and more complex rail infrastructure projects and provide better access to the funds for growth opportunities; and

(iv) benefit from the complimentary skills of the combined management team, which in turn would enhance the overall corporate capability, provide focused strategic leadership and facilitate better supervision of the business.

The said Scheme will be effective upon approval of shareholders, creditors, Hon'ble National Company Law Tribunal and other regulatory and statutory approvals as applicable.

Issue of Equity Shares on preferential basis

Pursuant to the shareholders' approval received at Extra-ordinary General Meeting held on April 6, 2021, the Company has allotted 1,00,00,000 equity shares of the face value of ₹ 2 each, at a price of ₹ 800 per equity share (at a premium of ₹ 798 per equity share), aggregating to ₹ 800 crore on April 19, 2021 to Windy Lakeside Investment Ltd. (an affiliate of Warburg Pincus), for cash consideration, by way of a preferential issue on a private placement basis in terms of provisions of Section 42, 62 and such other applicable provisions of the Act read with the rules made thereunder and Chapter V of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Pursuant to the aforesaid allotment, the paid up equity share capital of the Company stands increased from 203,17,51,761 equity shares of ₹ 2/- each to 204,17,51,761 equity shares of ₹ 2/- each.

Fixed Deposits

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Act read with rules made there under.

Non-Convertible Debentures

During the year under review, your Company has issued and allotted 30,000 Rated, Listed, Secured Redeemable Non-Convertible Debentures (NCDs) of face value of ₹ 10 lakh each aggregating to ₹ 3,000 crore on a private placement basis listed on the Wholesale Debt Market Segment of BSE Ltd.

Further, your Company has redeemed 700 NCDs on April 23, 2021, of face value of ₹ 10 lakh each issued 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 details of investments made during the year under review are disclosed in the financial statements.

Subsidiaries, Joint Ventures and Associate Companies

Your Company has 77 subsidiaries and 7 joint ventures as on March 31, 2021.

During the year under review, following changes have taken place in subsidiaries and joint ventures :

- Adani Krishnapatnam Port Ltd.
- Aqua Desilting Pvt. Ltd.
- Dighi Port Ltd.
- Adani Krishnapatnam Container Terminal Pvt. Ltd.
- Adani KP Agriwarehousing Pvt. Ltd.
- Shankheshwar Buildwell Pvt. Ltd.
- Sulochana Pedestal Pvt. Ltd.
- NRC Ltd.
- Adani Logistics International Pte Ltd., Singapore
- Dighi Roha Rail Ltd. (JV of Dighi Port Ltd.)

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 forms part of this Annual Report.

The annual financial statements and related detailed information of the subsidiary companies shall be made available to the members 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 members 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 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 Report which forms part of this Report.

Directors and Key Managerial Personnel

During the year under review, Mr. Mukesh Kumar, IAS (DIN: 06811311), representing Gujarat Maritime Board, resigned as a Director of the Company w.e.f May 22, 2020. The Board placed on record the deep appreciation for valuable services and guidance provided by him during the tenure of his Directorship.

Mr. P. S. Jayakumar (DIN: 01173236) was appointed as an Additional Director and also an Independent Director for a period of five consecutive years w.e.f July 23, 2020, subject to approval of members at the ensuing Annual General Meeting. In the opinion of the Board, he possesses requisite expertise, integrity and experience (including proficiency) for appointment as an Independent Director of the Company.

Mrs. Avantika Singh Aulakh, IAS (DIN: 07549438), Vice Chairman & CEO, Gujarat Maritime Board was appointed as an Additional Director of the Company w.e.f September 15, 2020, subject to approval of members at the ensuing Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed in 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.

Pursuant to the requirements of the Act and Articles of Association of the Company, Dr. Malay Mahadevia (DIN: 00064110) is liable to retire by rotation and being eligible offers himself for re-appointment.

The Board recommends the appointment/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 Annual General Meeting.

Pursuant to provision of Section 203 of the Act, Mr. Deepak Maheshwari ceased to be Chief Financial Officer & Key Managerial Personnel of the Company with effect from close of business hours on May 5, 2021.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, state the following:

a. that in the preparation of the annual financial statements, the applicable accounting standards have been followed and there are no material departures;

b. that such accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;

c. that 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. that the annual financial statements have been prepared on a going concern basis;

e. that proper internal financial controls were in place and that the financial control are adequate and operating effectively;

f. that proper systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

Policies

During the year under review, the Board of the Company have amended /approved changes in Policy on Board Diversity, Dividend Distribution & Shareholder Return Policy and Code of Internal Procedure and Conduct for regulating, monitoring and reporting of trading by Insiders.

The policies adopted by the Company are available on website of the Company at https://www.adaniports.com

Number of Board Meetings

The Board of Directors met 7 (seven) 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 Report.

Independent Directors' Meeting

The Independent Directors met on March 30, 2021, 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.

Board Evaluation

The Grant Thornton Bharat LLP, advisory firm was engaged to facilitate the evaluation and effectiveness process of the Board, its Committees and individual Directors for the FY 2020-21.

A detailed Board effectiveness assessment questionnaire was developed by advisory firm keeping in mind the various parameters. Virtual Meetings were organized with members of the Board and discussions were held on six themes i.e. strategic perspective, competency and capability, ESG focus, diversity and inclusion, risk and compliance culture, and communication.

The recommendations arising from the evaluation process was discussed at the Independent Director's meeting held on March 30, 2021, Nomination and Remuneration Committee meeting and Board meeting held on May 4, 2021. The same was considered by the Board to optimise its effectiveness.

Policy on Directors' appointment and remuneration

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act is available on the website of the Company at https://www.adaniports.com/Investors/Corporate-Governance

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 report.

Risk Management

The Board of Directors of the Company 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.

Committees of Board

Details of various committees constituted by the Board of Directors of the Company as per the provisions of the Act and SEBI Listing Regulations are given in the Corporate Governance Report which forms part of this report.

Sustainability and Corporate Social Responsibility

The Board of Directors of the Company has constituted a Sustainability and Corporate Social Responsibility Committee and has framed a Policy. The brief details of Committee are provided in the Corporate Governance Report. The Annual Report on CSR activities is annexed and forms part of this report. The policy is available on the website of the Company at https://www.adaniports.com/Investors/Corporate-Governance.

Corporate Governance and Management Discussion and Analysis

Separate reports on Corporate Governance compliance and Management Discussion and Analysis as stipulated by SEBI Listing Regulations forms part of this Annual Report along with the required Certificate from a Practising 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, who have affirmed the compliance thereto.

Business Responsibility Report

The Business Responsibility Report for the year ended March 31, 2021 as stipulated under Regulation 34 of SEBI Listing Regulations is annexed which forms part of this Annual Report.

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.

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on https://www.adaniports.com/-/media/Project/Ports/Investor/Investor-Downloads/Annual-Return/AnnualReturn2021.pdf

Related Party Transactions

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. 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.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

Insurance

Your Company has taken appropriate insurance for all assets against foreseeable perils.

Sustainability

Business sustainability is an important part of decision making process for your Company. Sustainability framework provides input to identify risks and opportunities and formulate mitigation strategy. All the subsidiaries and joint ventures are also part of the sustainability framework. This framework widely covers all the aspects of Environmental, Social and Governance (ESG) right from assessing topics material to business by considering risks, externalities and stakeholders' concern; prioritized to be relevant in short, recover in medium and resilient in long term. The entire process is overseen by Board and other concerned committees for the long-term success of the business.

Your Company believes stakeholder engagement finds its place at the core of business strategies which thrives for inclusive development. Therefore, the Company has outlined its commitment in stakeholder engagement policy and developed the stakeholder engagement procedure.

Your Company engages with national/ international NGOs and Not-for-Profit organizations to align its ESG performance to the global standard. Your Company discloses its climate change and water security performance to CDP, Communications on Progress (COP) to UNGC and sustainability performance to DJSI. We engage with WRI/ WBCSD to adopt GHG protocols for GHG emission management, SBTi to set Science Based Targets in line with 1.5°C scenario, IUCN and IBBI for biodiversity management, World Economic Forum (WEF) and Confederation of Indian Industry (CII) for consulting services and policy advocacy. We have also set regional targets of Sustainable Development Goals (SDGs) as per our business activities.

Environmental

Your Company has taken several steps to become Green Port by Natural Capital Management and adopting best practices across all the operational sites. We ensure compliance to environment and related applicable regulations and continually improves its performance.

Energy is an important indicator for port operations as it contributes to GHG emissions. Your Company is taking several initiatives for energy conservation through various energy efficiency enhancement programmes, which not only results in environmental benefits but also reduces the operational costs.

Your Company and other subsidiaries have commissioned 20 MW of renewable energy projects and procuring renewable energy from 15 MW wind project through Power Purchase Agreement (PPA). The renewable energy share is 5.3% of energy mix which supports to the SDG target 7.2.1 of Goal 7. Your Company and its subsidiaries have decreased its energy intensity by 33% compared to base year FY 2015-16 which support to the SDG target 7.3.1 of Goal 7. Correspondingly reduced emission intensity by 35% compared to base year FY 2015-16 which supports to the country's NDC target of lower the emission intensity of GDP by 33-35% by 2030 below 2005 level. Compared to previous year the absolute energy and emissions has increased by 16% and 9% respectively due to addition of new ports. Your Company has saved 29359 tCO2e emissions through renewable energy projects and procurement during FY 2020-21.

Water is being an important resource; its management is always a key concern for the Company. Your Company is putting best efforts for effective water management practices for reduction in water consumptions and thereby reducing the water withdrawal as part of the water management plan. Your Company has created a sewage collection infrastructure by laying down the pipeline to channelize the sewage water from nearby villages to our treatment facilities. By this initiative, your Company is supporting to SDG target "6.3 Improve water quality by reducing pollution" of Goal 6. Your company has carried out rain water harvesting at Dhamra and Kattupalli sites and harvested rain water has been used for industrial and horticulture requirements. Your Company and its subsidiaries have increased its water consumption by 4%. However, 2,970 million liter of fresh water has been avoided by withdrawing desalinated sea water, by utilizing other industries treated water and Rain water harvesting during FY 2020-21.

The Company has developed a vision for "Zero Waste to landfill" and has taken various initiative in line to 5 R's (Reduce, Reuse, Reprocess, Recycle, Recover) towards making APSEZ – a Zero Waste Company. The Company's waste disposed from our port sites has increased by 20% in FY 2020-21. Being a service industry we don't have potential to recycling of generated waste in our operations, however 20% waste sold for recycle and 23% to reprocess, 39% sent for recovery as co-processing, 13% is reused within operation and maintenance activities, 2% sent for incineration and 3% for landfilling. Additionally, 4497 MT of Metal scrap has been sent for recycling in FY 2020-21. Three of the Port sites namely Mundra, Kattupalli and Ennore are awarded with Zero Waste to Landfill (ZWL) certification and nine of our ports are certified as Single Use Plastic (SUP) Free Sites.

The Company has created terrestrial green cover over an area of 965 hectares across all ports, ICDs and agri-logistic sites. The Company has completed the mangrove afforestation in 2,989 hectares and continuing mangrove conservation of 2,596 hectares at Mundra, Gujarat and 9 hectares at Dhamra, Odisha, 3.64 hectares at Krishnapatnam, Andhra Pradesh. A unique pilot project of development of bio-shield for protection of coastal areas has been completed at Tankari village Jambusar, Gujarat and a new bio-shield project has been initiated at Malpur village, Jambusar, Gujarat.

Occupational Health and Safety

Apart from the ISO certification, your Company has adopted its own Safety Management System (SMS) which is based on the philosophy that safety is primarily line management's responsibility. The SMS comprises 20 elements, with each element being owned by an element owner who is from the line management at business site. These element owners are accountable for implementation, monitoring and sustenance of their respective element.

Your Company aspires to be a globally admired Occupational, Health and Safety (OHS) leader in infrastructure space. The 10 lifesaving safety rules are non-negotiable and sacrosanct.

The Occupational Health and Safety policy, OHS vision & mission and 10 Life Saving Rules have been communicated to all the stakeholders. Further, to give impetus to organization's HSE & well-being, messages have been issued by the senior leadership team emphasising the "Safety First" culture.

Auditors & Auditors' Report

Pursuant to the provisions of 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 appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2022. They have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

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 Annual Report.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act read with the rules made thereunder, your Company has re-appointed Mr. Ashwin Shah, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for FY 2020-21 is annexed which forms part of this report as Annexure-A. There are no qualifications, reservations or adverse remarks in the Secretarial Audit Report of the Company.

Reporting of frauds by auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee or the Board, under Section 143 (12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

Particulars of Employees

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 are provided in separate annexure forming part of this report as Annexure-B.

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, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

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 from time to time is annexed to this report as Annexure-C.

Acknowledgement

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Government of Gujarat, Gujarat Maritime Board, Financial Institutions and Banks. Your Directors thank all members, esteemed 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)

Place: Ahmedabad
Date: May 4, 2021

Annexure – A to the Directors' Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2021

[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 during the pandemic of COVID 19 situation across the country, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2021 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, 2021 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 (Not Applicable to the Company during the Audit Period);

   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.

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 during the audit period the Company has:

1. Passed a special resolution for shifting of registered office of the Company within the same state.

CS Ashwin Shah
Company Secretary
C. P. No. 1640
UDIN: F001640C000235093

Place: Ahmedabad
Date: May 4, 2021

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 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.

CS Ashwin Shah
Company Secretary
C. P. No. 1640
UDIN: F001640C000235093

Place: Ahmedabad
Date: May 4, 2021

Annexure – B 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 FY 2020-21 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the FY 2020-21:**

Name of Directors/KMP	Ratio of remuneration to median remuneration of employees	% increase in remuneration in the financial year
Executive Directors:		
Mr. Gautam S. Adani	33.69:1	-
Dr. Malay Mahadevia	135.16:1	0.21
Mr. Karan Adani	25.65:1	6.60
Non-Executive Directors:		
Mr. Rajesh S. Adani[1]	1.20:1	(9.09)
Mr. Mukesh Kumar, IAS[2]	-	-
Mrs. Avantika Singh Aulakh[3]	-	-
Prof. G. Raghuram[4]	3.37:1	30.23
Mr. G. K. Pillai[4]	3.58:1	41.67
Mrs. Nirupama Rao[4]	2.80:1	N.A.
Mr. Bharat Sheth[4]	2.77:1	N.A.
Mr. P. S. Jayakumar[5]	-	N.A.
Key Managerial Personnel:		
Mr. Deepak Maheshwari	N.A.	(0.44)
Mr. Kamlesh Bhagia	N.A.	4.89

[1]Reflects sitting fees.
[2]Reflects sitting fees and resigned as Director on May 22, 2020.
[3]Reflects sitting fees and appointed as Director on September 15, 2020.
[4]Reflects sitting fees and commission.
[5]Reflects sitting fees and commission. Appointed as Director on July 23, 2020.

ii) **The percentage increase in the median remuneration of employees in the financial year:** 5.92%

iii) **The number of permanent employees on the rolls of Company:** 1,161 as on March 31, 2021.

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 KMP: 3%
- Average increase in remuneration of KMP: 0.59%
- 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 – C 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

- Average power factor of the system has been maintained up to 0.96 for Multi-purpose Terminal (MPT).
- Average power factor of the system has been maintained up to 0.96 for West Basin.
- Provision of Shore Supply to Adani Enterprises Ltd. and Dredger at Terminal -2 in MPT.
- Energy saving by Optimum use of Boom flood light. STS flood light auto OFF in case of Boom up condition by using PLC programing at Adani Mundra Container Terminal.

II) Steps taken by the Company for utilising alternate sources of energy

- Generated 5.78 million units green energy from solar PV plants for captive consumption which has potential to generate 12.17 million units annually.
- Distributed 50.36 million units grid energy generated from wind generators of 12 MW in SEZ area through electricity distribution network of MPSEZ Utilities Ltd. (Power Distribution Licensee), a wholly owed subsidiary of the Company.

III) Capital investment on energy conservation equipment

- Investment made of ₹ 6.39 lakhs for replacement of 187 nos. of HPSV light fittings by LED lights for Cargo Storage Yards resulted in saving of 35,267 KWh / Annum.
- Investment made of approx. ₹ 9.19 lakhs for replacement of 1319 nos. of HPSV/Fixture light fittings by LED lights for AMCT STS, RTG Crane light (walkway and E Room), gate complex and fire pump house resulted in saving of 32489 KWh / Annum.

B. Technology Absorption

I) Efforts made towards technology absorption

- Automated operation of back-up DG set installed at Adani House, Adani Hospital and SEZ North Gate in case of failure/restoration of mains supply.
- Pressure based automatic operation of Fire Fighting Pump System installed for Adani House and Port Users Buildings.
- Remote operation of Fire Fighting Pump System installed at Adani Hospital and Airstrip through mobile from Fire Control Room.
- Integration of SMART water meters with GSM Modems for real time monitoring of various operational parameters like flow, pressure, velocity etc. for water supply from Adani Power (Mundra) Ltd.

II) Benefits derived like product improvement, cost reduction, product development or import substitution:

- Handled Fertilizer Cargo through performance improvement of Conveyor System in FY 2019-20, qty of MTs- 39,12,029 with 0.46 KWH/MT and in FY 2020-21 qty. of MTs – 45,04,001 with 0.42 KWH/MT(Saving 9% compare to FY 2019-20)

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:

(Rs. in crore)

Particulars	2020-21	2019-20
Foreign exchange earned	40.49	41.40
Foreign exchange outgo	1,198.29	902.08

Annexure to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AS PER SECTION 135 OF THE COMPANIES ACT, 2013 FOR FY 2020-21.

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. 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	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Mr. Rajesh S. Adani	Chairman, Non-Executive & Non-Independent Director	4	2
2	Dr. Malay Mahadevia	Member, Executive Director	4	4
3	Mr. G. K. Pillai	Member, Non-Executive Independent Director	4	4

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/CSRPolicy.pdf

https://www.adaniports.com/-/media/Project/Ports/Investor/Investor-Downloads/Other-Downloads/Composition-of-various-Committees_050521.pdf?la=en

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

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. : Not Applicable

6 Average net profit of the company as per section 135(5) for last three financial years. : ₹ 2,804.84 crore

7 a Two percent of average net profit of the company as per section 135(5). : ₹ 56.10 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. : Nil

d Total CSR obligation for the FY 2020-21. (7a+7b-7c) ₹ 56.10 crore

8 a CSR amount spent or unspent for the FY 2020-21 : As per below given table.

Total Amount Spent for the Financial Year. (₹ crore)	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).		
	(In ₹)	Date of Transfer	Name of the Fund	(In ₹)	Date of Transfer
72.99	Nil	-	-	Nil	-

b Details of CSR amount spent against ongoing projects for the FY 2020-21 : Not applicable

c Details of CSR amount spent against other than ongoing projects for the FY 2020-21.

(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 crores).	Mode of Implementation -Direct (Yes/No).	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Reg. No.
1	COVID support- PM CARES Fund	(viii)	Yes	PAN India		55.00	No	PM CARES Fund	-
2	COVID support – CM Relief Fund	(viii)	Yes	Across Gujarat		5.00	No	CM Relief Fund	-
3	Empowering youth for employment or self-sustainability through Skill Trainings	(vii)	Yes	Across Gujarat		1.00	No	Adani Skill Development Centre	CSR00000586
4	Education and Social development	(i) & (ii)	Yes	PAN India		11.99	Yes	-	-

d Amount spent in Administrative Overheads. : Nil

e Amount spent on Impact Assessment, if applicable. : Nil

f Total amount spent for the FY 2020-21 (8b+8c+8d+8e). : ₹ 72.99 crore

g Excess amount for set off, if any.

Sr. No.	Particulars	Amount (₹ in crore)
(i)	Two percentage of average net profit of the company as per section 135(5).	56.10
(ii)	Total amount spent for the FY 2020-21.	72.99
(iii)	Excess amount spent for the financial year [(ii)-(i)].	16.89
(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)].	16.89

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 profit as per section 135(5).		Not Applicable

Gautam S. Adani
(Chairman and Managing Director)

Rajesh S. Adani
(Chairman CSR Committee)

Corporate Governance Report

1. Company's philosophy on code of governance

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. 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 Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable.

2. Board of Directors

The Board, being the trustee of the Company, responsible for the establishment of cultural, ethical and accountable growth of the Company, 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 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 3 (three) Directors are Executive Directors, 2 (two) 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.

None of the Directors on the Company's Board is a Member of more than 10 (ten) Committees or acts as an Independent Director in more than 7 (seven) Listed Companies and Chairman 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 and do not hold the office of Director in more than 10 (ten) public companies as on March 31, 2021.

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations.

The composition of the Board of Directors and the number of other Directorship and Committee positions held by them as on March 31, 2021 are as under:

Name, Designation & DIN of Director	Category of Directorship	No. of other Directorship held[3] (other than APSEZL)	Details of Committee[4] (other than APSEZL)	
			Chairman	Member
Mr. Gautam S. Adani, Chairman & Managing Director DIN: 00006273	Promoter & Executive	5	-	-
Mr. Rajesh S. Adani, Director DIN: 00006322	Promoter & Non-Executive	5	-	4
Dr. Malay Mahadevia, Whole-Time Director DIN: 00064110	Executive	4	-	-
Mr. Karan Adani, Whole-Time Director & CEO DIN: 03088095	Executive	8	-	-
Mrs. Avantika Singh Aulakh, IAS, Director[1] DIN: 07549438	Non Independent & Non Executive	9	1	-
Prof. G. Raghuram, Director DIN: 01099026	Independent & Non Executive	2	-	-
Mr. G. K. Pillai, Director DIN: 02340756	Independent & Non Executive	1	-	1
Mr. Bharat Sheth, Director DIN: 00022102	Independent & Non Executive	2	-	1
Mrs. Nirupama Rao Director DIN: 06954879	Independent & Non Executive	3	-	1
Mr. P.S. Jayakumar[2], Director DIN: 01173236	Independent & Non Executive	8	3	6

[1]Appointed as Director w.e.f. September 15, 2020.

[2]Appointed as Director w.e.f. July 23, 2020.

[3]Excluding Private Ltd. Companies, which are not the subsidiaries of Public Ltd. Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

[4]Includes only Audit Committee and Stakeholders' Relationship Committee.

Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship as on March 31, 2021 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
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	-	-
Mr. Karan Adani, DIN: 03088095	-	-
Mrs. Avantika Singh Aulakh, IAS[1] DIN: 07549438	Gujarat Pipavav Port Ltd.	Nominee
Prof. G. Raghuram, DIN: 01099026	Commercial Engineers & Body Builders Co Ltd.	Non-Executive Independent
Mr. G. K. Pillai, DIN: 02340756	Tata International Ltd.[3]	-
Mr. Bharat Sheth, DIN: 00022102	The Great Eastern Shipping Company Ltd.	Promoter Executive
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[2], DIN: 01173236	JM Financial Ltd.	Non-Executive Independent
	CG Power and Industrial Solutions Ltd.	Non-Executive Independent

[1]Appointed as Director w.e.f. September 15, 2020.

[2]Appointed as Director w.e.f July 23, 2020.

[3]Debt Listed on stock exchange.

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's are being 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, 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 of Directors 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 2020-21 were held through Video Conferencing.

During the year under review, Board met seven times on May 5, 2020, July 7, 2020, August 11, 2020, November 3, 2020, February 9, 2021, March 3, 2021 and March 7, 2021. 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 last Annual General Meeting are as under:

Name of Director	No. of Meetings		Attendance at last AGM
	Held during the tenure	Attended	
Mr. Gautam S. Adani	7	4	Yes
Mr. Rajesh S. Adani	7	4	Yes
Dr. Malay Mahadevia	7	7	Yes
Mr. Karan Adani	7	6	Yes
Mr. Mukesh Kumar, IAS[1]	1	-	N.A.
Prof. G. Raghuram	7	7	Yes
Mr. G. K. Pillai	7	7	Yes
Mr. Bharat Sheth	7	6	Yes
Mrs. Nirupama Rao	7	6	Yes
Mr. P. S. Jayakumar[2]	5	5	N.A.
Mrs. Avantika Singh Aulakh, IAS[3]	4	-	N.A.

[1]Resigned as Director w.e.f May 22, 2020.
[2]Appointed as Director w.e.f July 23, 2020.
[3]Appointed as Director w.e.f September 15, 2020.

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.

During the year under review, the Board of Directors have amended / approved the changes in (i) Code of Conduct for Prevention of Insider Trading as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (ii) Policy on Board Diversity; and (iii) Dividend Distribution & Shareholder Return Policy.

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 asses 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' Induction and Familiarisation:

All new Independent Directors are taken through a detailed induction and familiarization program when they join the Board of your Company. 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.

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
- The Port's performance
- Growth Strategy
- Overview of business operation of major subsidiaries

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 at the Annual General Meeting, fulfil the conditions specified in the SEBI Listing Regulations and are independent of the Management.

Note on appointment/re-appointment of Director:

Dr. Malay Mahadevia, Whole-Time Director is retiring at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. P. S. Jayakumar (Non-Executive, Independent) and Mrs. Avantika Singh Aulakh, IAS (Non-Executive, Non-Independent) were appointed as an Additional Directors w.e.f July 23, 2020 and September 15, 2020 respectively. The Company has received notice from the member of the Company signifying its intention for their appointment as Directors of the Company.

The brief resume and other information required to be disclosed under this section is provided in the Notice convening the Annual General Meeting.

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 of Conduct. 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.

A) Audit Committee:

The Audit Committee of the Company was constituted on September 22, 2001 and subsequently reconstituted from time to time to comply with statutory requirement.

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.

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:

1. Oversight of 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. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgment by management;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions;
   g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, 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. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing 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. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing 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. Discussion 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. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries;
21. Reviewing 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;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of Information by Audit Committee:

1. The management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
6. Statement of deviations:
   a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
   b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice.

Meeting, Attendance & Composition of the Audit Committee:

During the year under review, Audit Committee met six times on May 5, 2020, August 11, 2020, November 3, 2020, February 9, 2021, March 3, 2021 and March 30, 2021. The intervening gap between two meetings did not exceed 120 days.

The Composition of the Audit Committee and details of attendance of the members at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. G. K. Pillai, Chairman	Non-Executive & Independent Director	6	6
Prof. G. Raghuram, Member	Non-Executive & Independent Director	6	6
Mr. Rajesh S. Adani, Member	Non-Executive & Non-Independent Director	6	4
Mr. P. S. Jayakumar[1], Member	Non-Executive & Independent Director	3	3

[1]Appointed as Member w.e.f November 3, 2020.

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The Audit Committee meetings are attended by the Chief Financial Officer, representatives of Statutory Auditors, Internal Auditor and Finance & Accounts department.

The Board of Directors review the minutes of the Audit Committee Meetings at its subsequent Board Meetings.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as Secretary of the Committee.

Mr. G. K. Pillai, Chairman of the Audit Committee was present at the last Annual General Meeting to answer shareholder queries.

B) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company was constituted on September 3, 2005 and subsequently reconstituted from time to time to comply with statutory requirement.

Terms of reference:

The powers, role and terms of reference of Nomination and Remuneration 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:

1. Formulation of 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. Formulation of criteria for evaluation of Independent Directors and Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying 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;
5. To extend or continue the terms of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
7. To recommend to the board, all remuneration, in whatever form, payable to senior management;
8. Carrying 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 Nomination and Remuneration Committee:

During the year under review, Nomination and Remuneration Committee met two times on August 7, 2020 and February 8, 2021.

The composition of the Nomination and Remuneration Committee and details of attendance of the member at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held during the tenure	Attended
Prof. G. Raghuram, Chairman	Non-Executive & Independent Director	2	2
Mr. Rajesh S. Adani, Member	Non-Executive & Non-Independent Director	2	-
Mr. G. K. Pillai, Member	Non-Executive & Independent Director	2	2
Mrs. Nirupama Rao,[1] Member	Non-Executive & Independent Director	1	1

[1]Appointed as Member w.e.f November 3, 2020.

The Board of Directors review the minutes of the Nomination and Remuneration Committee Meetings at its subsequent Board Meetings.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as Secretary of the Committee.

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 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, 2020. In addition to commission, non-executive directors are paid sitting fees of Rs. 50,000 for attending Board and Audit Committee and Rs. 25,000 for attending other Committees and actual reimbursement of expenses incurred for attending each meeting of the Board and Committee.

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 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. 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 members 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 2020-21 are as under:

(Rs. in lakhs)

Name	Commission	Sitting Fees	Total
Mr. Rajesh S. Adani	-	10.00	10.00
Mr. Mukesh Kumar, IAS[1]	-	-	-
Prof. G. Raghuram	20.00	8.00	28.00
Mr. G. K. Pillai	20.00	9.75	29.75
Mr. Bharat Sheth	20.00	3.00	23.00
Mrs. Nirupama Rao	20.00	3.25	23.25
Mr. P. S. Jayakumar[2]	13.80	4.00	17.80
Mrs. Avantika Singh Aulakh, IAS[3]	-	-	-

[1]Resigned as Director w.e.f. May 22, 2020.

[2]Appointed as Director w.e.f. July 23, 2020.

[3]Appointed as Director w.e.f. September 15, 2020.

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 Director during the FY 2020-21 are as under:

(Rs. in lakhs)

Name	Salary	Perquisites, Allowances & other Benefits	Commission*	Total
Mr. Gautam S. Adani	180.00	-	100.00	280.00
Dr. Malay Mahadevia	422.25	700.95	-	1,123.20
Mr. Karan Adani	172.41	40.78	-	213.19

*Payable in FY 2020-21.

iii) **Details of shares of the Company held by Directors as on March 31, 2021 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.

C) **Stakeholders' Relationship Committee:**

The Stakeholders Relationship Committee of Directors was constituted on January 30, 2007 and subsequently reconstituted from time to time to comply with statutory requirement.

Terms of reference:

The powers, role and terms of reference of Stakeholders Relationship Committee 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:

1. Resolving the grievances of the 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. Reviewing the measures taken for effective exercise of voting rights by shareholders;

3. Reviewing of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent;

4. Reviewing the 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. Carrying 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 Stakeholders' Relationship Committee:

During the year under review, Stakeholders Relationship Committee met four times on May 5, 2020, August 7, 2020, November 2, 2020 and February 8, 2021.

The composition of the Stakeholders Relationship Committee and details of attendance of the members at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held during the tenure	Attended
Prof. G. Raghuram, Chairman	Non-Executive & Independent Director	4	4
Mr. Karan Adani, Member	Executive Director	4	4
Mr. G. K. Pillai, Member	Non-Executive & Independent Director	4	4

The Board of Directors review the minutes of the Stakeholders Relationship Committee Meetings at its subsequent Board Meetings.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as Secretary of the Committee.

Prof. G. Raghuram, Chairman of the Stakeholders' Relationship Committee was present at the last Annual General Meeting to answer shareholder queries.

Details of complaints received and redressed during the year:

Opening Balance	During the year		Pending Complaints
	Received	Resolved	
Nil	6	6	Nil

All complaints have been resolved to the satisfaction of shareholders.

D) Sustainability and Corporate Social Responsibility Committee:

The Sustainability and Corporate Social Responsibility Committee of the Company was constituted on May 15, 2014 and subsequently reconstituted from time to time to comply with statutory requirement.

Terms of reference:

The powers, role and terms of reference of Sustainability and Corporate Social Responsibility Committee covers the areas as contemplated under Section 135 of the Act. The brief terms of reference of Sustainability and Corporate Social Responsibility Committee are as under:

1. To review from time to time Corporate Social Responsibility (CSR) policy in the light of emergent situation and statutory frame work;

2. To recommend the amount of investment to be made on CSR activities;
3. To monitor the implementation of CSR policy and review overall performance in CSR Programmes;
4. To review from time to time Sustainability policy in the global context and evolving statutory frame work such as BRR;
5. To review overall Sustainability performance and Sustainability Reporting of the Company;
6. To review from time to time different aspect of Sustainability Performance such as ethical governance, environmental stewardship, safety performance at sites, water and energy use etc.;
7. The authority to decide on Disclosure on Management Approach in Sustainability Reporting and to steer Sustainability Performance is hereby delegated to CEO of the Company.

Meeting, Attendance & Composition of the Sustainability and Corporate Social Responsibility Committee:
During the year under review, Committee met four times on May 5, 2020, August 7, 2020, November 2, 2020 and February 8, 2021.

The composition of the Committee and details of the attendance of the members at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Rajesh S. Adani, Chairman	Non-Executive & Non-Independent Director	4	2
Dr. Malay Mahadevia, Member	Executive Director	4	4
Mr. G. K. Pillai, Member	Non-Executive & Independent Director	4	4

The Board of Directors review the minutes of the Sustainability and Corporate Social Responsibility Committee Meetings at its subsequent Board Meetings.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as Secretary of the Committee.

CSR Policy:
The CSR Policy of the Company is available on the website of the Company at https://www.adaniports.com/Investors/Corporate-Governance.

E) Risk Management Committee:
The Risk Management Committee of the Company was constituted on October 1, 2014 and subsequently reconstituted from time to time to comply with statutory requirement.

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 Risk Management Committee are as under:

1. To review the Company's risk governance structure, risk assessment and minimization procedures and the guidelines, strategies and policies for risk mitigation on short term as well as long term basis;
2. To monitor and review the risk management plan of the Company;
3. To review the current and expected risk exposures of the organization, to ensure the same are identified, qualitatively and quantitatively evaluated, analysed and appropriately managed;
4. 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 Risk Management Committee:

During the year under review, Risk Management Committee met three times on August 7, 2020, November 2, 2020 and February 8, 2021.

The composition of the Committee and details of attendance of the members at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Rajesh S. Adani, Chairman	Non-Executive & Non-Independent Director	3	1
Dr. Malay Mahadevia, Member	Executive Director	3	3
Mr. G. K. Pillai, Member	Non-Executive & Independent Director	3	3
Capt. Unmesh Abhyankar. Member	Joint President – CEO office	3	3
Mr. Deepak Maheshwari, Member[1]	Chief Financial Officer	3	3

[1]Resigned as Chief Financial Officer w.e.f May 5, 2021.

The Board of Directors review the minutes of the Risk Management Committee Meetings at its subsequent Board Meetings.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as Secretary of the Committee.

F) Transfer Committee:

The Transfer Committee of the Company was constituted on September 25, 2000 and subsequently reconstituted from time to time to comply with statutory requirement. No committee meeting was held during the year under review.

Terms of reference:

1. To approve and register transfer and/or transmission of equity and preference shares and debentures;
2. To subdivide, consolidate and issue equity and preference share certificates and/ or debenture certificate on behalf of the Company;
3. To affix or authorise fixation of common seal of the Company on the equity, preference share certificates and debenture certificate of the Company;
4. To issue duplicate equity and preference share certificates and debenture certificate;
5. To apply for dematerialization of the equity, preference shares and debentures;
6. To do all such acts, deeds or things as may be necessary or incidental to the exercise of above powers.

4. Subsidiary Companies:

The Company does not have any material non-listed subsidiary in which the Company is required to nominate an Independent Director of the Company on the Board of the 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 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 regularly.

3. A statement containing all significant transactions and arrangements entered into by the subsidiary companies is placed before the Company's Board.

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. 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 monitored and reviewed investigations of the whistleblower complaints received during the year.

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
2017-18	06-08-2018	J. B. Auditorium, Ahmedabad Management Association, AMA Complex, Atira, Dr. Vikram Sarabhai Marg, Ahmedabad-380015.	9.30 a.m.	2
2018-19	06-08-2019	H.T. Parekh Hall, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad- 380015.	10.30 a.m	3
2019-20	26-06-2020	Meeting conducted through Video Conferencing/ Other Audio Visual Means.	10.00 a.m.	1

b) **Whether special resolutions were put through postal ballot last year, details of voting pattern:** No

c) **Whether any resolutions are proposed to be conducted through postal ballot:**

No Special Resolution requiring a postal ballot is being proposed at the ensuing Annual General Meeting of the Company.

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). These results are not sent individually to the shareholders but are put 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 website 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. Press release and presentations made to the institutional investors / analysts after the declaration of the quarterly, half-yearly and annual results are submitted to the National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) as well as uploaded on the Company's website.

Your 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
Monday, July 12, 2021	10:00 am	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 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 2021-22:

Financial year is 1st April to 31st March and financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
Quarterly Results	
Quarter ending on June 30, 2021	1st week of August, 2021
Quarter ending on September 30, 2021	4th week of October, 2021
Quarter ending on December 31, 2021	1st week of February, 2022
Annual Result of 2021-22	1st week of May, 2022

e) Record date:

The Company has fixed Friday, June 25, 2021 as the 'Record Date' for determining entitlement of members to final dividend for the financial year ended March 31, 2021, if approved at the AGM.

f) Dividend Payment Date:

Dividend of ₹ 5 per share (250%) will be paid on or after July 15, 2021, if approved by the members at the ensuing Annual General Meeting.

g) Dividend Distribution Policy:

The Dividend Distribution and Shareholder Return Policy of the Company is available on the website of the Company at https://www.adaniports.com/Investors/Corporate-Governance.

h) Listing on Stock Exchanges:

The Company's shares are listed on the following stock exchanges:

Name of Stock Exchange	Address	Code
BSE Ltd. (BSE)	Floor 25, P. J Towers, Dalal Street, Mumbai - 400001	532921
National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	ADANIPORTS

Annual listing fees for the year 2021-22 have been paid by the Company to BSE and NSE.

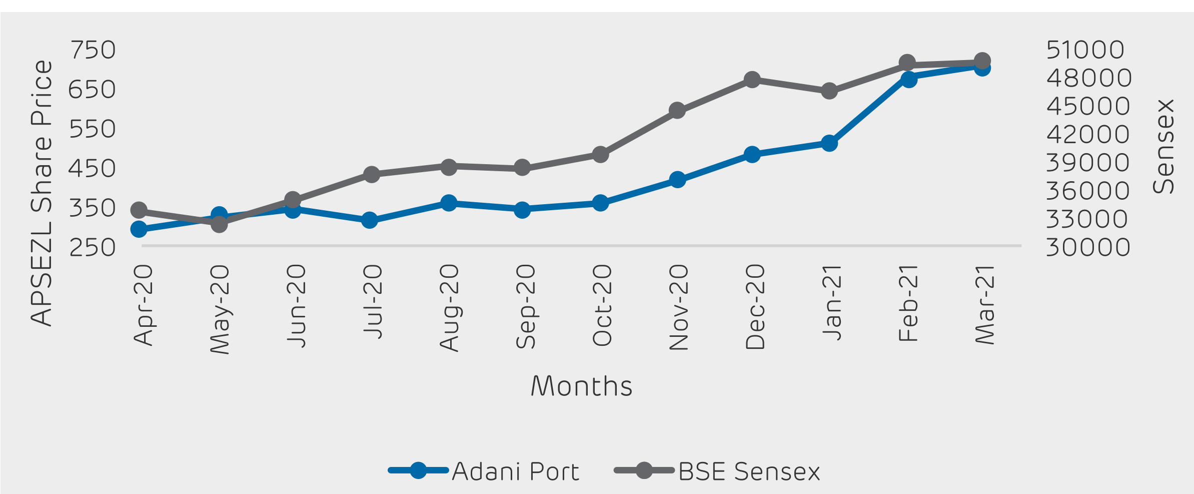
The Company's International Bonds are listed on the following exchanges:

Name of Exchange	Address
Singapore Stock Exchange	2 Shenton Way, #19- 00 SGX Centre 1, Singapore 068804
India International Exchange (IFSC) Ltd. (India INX)	1st Floor, Unit No. 101, The Signature, Building No. 13B, Road 1C, Zone 1, Gift SEZ, Gift City, Gandhinagar, Gujarat – 382355

i) **Market Price Data:**

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April, 2020	296.00	235.20	25,48,331	296.00	238.90	7,86,40,649
May, 2020	333.95	256.05	23,16,485	334.15	261.10	11,51,57,761
June, 2020	359.90	327.50	22,03,704	357.20	325.80	7,56,93,983
July, 2020	366.55	298.10	25,79,973	366.80	298.00	8,18,69,745
August, 2020	378.45	309.00	41,73,968	378.35	308.65	10,45,24,794
September, 2020	368.00	312.00	1,06,74,032	365.35	312.10	9,33,15,731
October, 2020	373.80	341.25	23,27,113	368.75	341.15	9,74,36,744
November, 2020	416.05	347.20	4,99,50,544	416.00	347.20	19,15,09,173
December, 2020	492.85	411.75	77,43,627	492.95	412.00	17,49,58,506
January, 2021	563.30	483.00	66,98,547	562.50	482.55	15,25,01,957
February, 2021	711.40	500.20	1,47,22,565	711.35	500.10	27,89,50,983
March, 2021	768.40	656.80	1,33,28,398	767.80	657.10	30,99,48,870

j) **Performance in comparison to broad-based indices such as BSE Sensex:**



k) 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
Website: 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.

l) Transfer to Investor Education and Protection Fund (IEPF):

In terms of the Section 125 of the Act, the amount that remained unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

During the year under review, the unclaimed dividend amount for the year 2012-13 (final) was transferred to the IEPF established by the Central Government under applicable provisions of the Act.

In terms of Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund Rules, 2016), the Company has transferred the shares in respect of which the dividend has not been claimed for a period of seven years or more to the demat account of IEPF Authority. The Company had communicated to all the concerned shareholders individually whose 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.

m) 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. Further, SEBI has fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. 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 Transfer 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 half year ended September 30, 2020 and March 31, 2021 respectively 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 at the address given above.

n) **Shareholding as on March 31, 2021:**

(a) **Distribution of Shareholding as on March 31, 2021:**

No. of shares	Equity Shares in each category		Number of shareholders	
	Total Shares	% of total	Holders	% of total
1-500	2,39,23,598	1.18	4,00,883	97.15
501-1000	45,24,751	0.22	5,966	1.45
1001-2000	36,56,035	0.18	2,490	0.60
2001-3000	22,64,960	0.11	887	0.22
3001-4000	13,28,232	0.07	374	0.09
4001-5000	14,76,614	0.07	315	0.08
5001-10000	42,94,128	0.21	595	0.14
10001 & above	199,02,83,443	97.96	1,117	0.27
Total	**2,03,17,51,761**	**100.00**	**4,12,627**	**100.00**

(b) **Category wise Shareholding Pattern as on March 31, 2021:**

Category	Total No. of Shares	% of holding
Promoter and Promoter Group	1,29,49,91,018	63.74
Foreign Institutional Investors / Portfolio Investor	36,37,29,141	17.90
Insurance Companies	22,83,10,794	11.24
Mutual Funds/Banks/Financial Institutions	7,29,81,333	3.59
NRI/Foreign Nationals	15,99,660	0.08
IEPF/Clearing Member	17,88,726	0.09
Bodies Corporate	73,19,680	0.36
Indian Public and others	6,10,31,409	3.00
Total	**2,03,17,51,761**	**100.00**

o) **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 Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The demat security (ISIN) code for the equity share is INE742F01042.

The equity shares of the Company representing 99.98% of the Company's share capital are dematerialized as on March 31, 2021.

The Company's shares are regularly traded on the 'BSE Ltd.' and 'National Stock Exchange of India Ltd.'.

p) **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 of BSE Ltd.

q) **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

r) **Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion and likely impact on equity:** Nil

s) **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.

t) **Site location:**
"Adani House", Navinal Island, Mundra - 370421, Kutch, Gujarat.

u) **Address for Correspondence:**

Mr. Kamlesh Bhagia,	**Registrars and Transfer Agents:**
Company Secretary & Compliance Officer	Link Intime India Pvt. Ltd.
Adani Corporate House, Shantigram,	C-101, 247 Park, L B S Marg, Vikhroli West,
Near Vaishno Devi Circle, S. G. Highway,	Mumbai - 400083
Khodiyar, Ahmedabad – 382421.	Tel.: +91-22-4918 6270
Tel.: +91-79-2656 5555	Fax.: +91-22-4918 6060
Fax: +91-79-2656 5500	E-mail: rnt.helpdesk@linkintime.co.in
E-mail: investor.apsezl@adani.com	

v) **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/ Negative
Fitch	Long-term Foreign Currency Issuer Default Rating	BBB -/ Negative

Domestic Rating

Rating Agency	Facility	Rating/Outlook
CARE	Long Term Facility	AA+/ Stable
ICRA	Long Term Facility; Short Term Facility	AA+/ Stable A1+
India Rating	Long Term Facility; Short Term Facility	AA+/ Stable A1+

w) **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:**
Your Company has an Executive Chairman and hence, the need for implementing this non mandatory requirement does not arise.

2. **Shareholders Right:**
The quarterly, half-yearly and annual financial results of your Company are published in newspapers and posted on Company's website www.adaniports.com. The same are also available on the sites 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 a Chairman and Mr. Karan Adani is a CEO & WTD of the Company.

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.

Details of utilization of funds raised through preferential allotment:

The funds raised by the Company through Preferential Issue, have been utilized for prepayment of borrowings of the Company and/or its subsidiaries, working capital requirement, meeting future funding requirements and other general corporate purposes of the Company and its subsidiaries, as stated in the Letter of Offer.

9. Other Disclosures:

a) 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 Annual Report.

The Company has developed a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Company has developed a Related Party Transaction Policy which 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) 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) The Chief Executive Officer and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on March 31, 2021 in compliance with Regulation 17(8) of SEBI Listing Regulations. They have also provided quarterly certificate 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 ensures proper utilization of IT resources.

i) 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.

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 Report.

n) As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the ensuing Annual General Meeting are given in the Annexure to the Notice of the 22nd Annual General Meeting to be held on July 12, 2021.

o) The Company has obtained certificate from M/s. Chirag Shah & Associates, Practising Company Secretaries 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.

p) 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 lakhs)

Payment to Statutory Auditor	FY 2020-21
Audit Fees	123.50
Limited Review	105.00
Certification Fees & other services	198.37
Reimbursement of Expenses	4.28
Total	**431.15**

q) 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.

Declaration

I, Karan Adani, Whole-Time Director & CEO of Adani Ports and Special Economic Zone Limited hereby declare that as of March 31, 2021, 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: May 4, 2021

Karan Adani
Whole-Time Director & CEO

Certificate on Corporate Governance

To,
The Members,
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 March 31, 2021 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
C. P. No. 1640
UDIN: F001640C000396804

Place: Ahmedabad
Date: May 4, 2021

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

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 Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421. (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 our opinion and to the best of our 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 us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 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.	Dr. Malay Mahadevia	00064110	20/05/2009
4.	Mr. Karan Adani	03088095	24/05/2017
5.	Prof. G. Raghuram	01099026	14/05/2012
6.	Mr. G. K. Pillai	02340756	19/10/2012
7.	Mrs. Nirupama Rao	06954879	22/04/2019
8.	Mr. Bharat Sheth	00022102	15/10/2019
9.	Mrs. Avantika Singh Aulakh, IAS	07549438	15/09/2020
10.	Mr. P. S. Jayakumar	01173236	23/07/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our 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.

For, Chirag Shah & Associates

Chirag Shah
Membership No.: 5545
CP No.: 3498
UDIN : F005545C000223831

Date: May 4, 2021
Place: Ahmedabad

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 Deepak Maheshwari, 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 March 31, 2021 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 March 31, 2021, 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: May 4, 2021

Karan Adani
Whole-Time Director & CEO

Deepak Maheshwari
Chief Financial Officer

Business Responsibility Report

Section A: General Information about the Company

1	Corporate Identity Number (CIN)	L63090GJ1998PLC034182
2	Name of the Company	Adani Ports and Special Economic Zone Ltd.
3	Registered Address	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421 Gujarat
4	Website	www.adaniports.com
5	Email id	investor.apsezl@adani.com
6	Financial year reported	April 1, 2020 to March 31, 2021
7	Sector(s) that the Company is engaged in (industrial activity code-wise):	
	Service category (ITC 4 digit) code	9967
	Service category (ITC 8 digit) code	99675111
	Description of service category	Port Services
	As per National Industrial Classification - Ministry of Statistics and Programme Implementation.	
8	List three key products that the Company manufactures/ provides (as in balance sheet).	The Company is in the business of development, operations and maintenance of port infrastructure facilities and has linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to Mundra Port.
9	Total number of locations where business activity is undertaken by the Company.	The Company's main business activity is undertaken at Mundra Port (in Kutch, Gujarat). APSEZ operates 12 strategically located ports and terminals — Mundra, Dahej, Tuna and Hazira in Gujarat, Dhamra in Odisha, Mormugao in Goa, Visakhapatnam and Krishnapatnam in Andhra Pradesh, Dighi in Maharashtra, Kattupalli and Ennore in Chennai - represent 24% of the country's total port capacity, handling vast amounts of cargo from both coastal areas and the vast hinterland. The company is also developing a transhipment port at Vizhinjam, Kerala. Adani Logistics Ltd., subsidiary of the Company offer logistics solution across western and northern region.
10	Markets served by the Company	State, National, International

Section B: Financial Details of the Company

1	**Paid up capital (Rs.)**	₹ 408.85 crore (Equity & Preference capital)
2	**Total turnover (Rs.)**	₹ 6,643.46 crore
3	**Total profit after tax (Rs.)**	₹ 1,927.93 crore
4	**Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax.**	The Company has spent ₹ 72.99 crore on CSR activities. This amount is more than 2% of average profit for the three previous years with respect to standalone financial statements. The excess CSR spent of ₹ 16.24 crore will be carried forward for set off for FY 2021-22 as per provisions of the Companies Act, 2013.
5	**List of activities in which expenditure in 4 above has been incurred.**	The major activities in which CSR was undertaken are primary education, community health, sustainable livelihood and community infrastructure. Please refer page 275 to 277 for detail activities carried out for CSR.

Section C: Other Details

1	**Does the Company have any subsidiary company / companies?**	Yes, the Company has 77 subsidiary companies (including step-down subsidiaries) as on March 31, 2021.
2	**Do the subsidiary company / companies participate in the Business Responsibility (BR) initiatives of the parent Company?**	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.
3	**Do any other entity / entities that the Company does business with participate in the BR initiatives of the Company?**	No other entity / entities participates in the BR initiatives of the Company. However, the Company is engaging its suppliers and carrying out number of initiatives to align them with our ESG strategy.

Section D: BR Information

1. **Details of Director / Directors responsible for BR:**

a) **Details of the Director / Directors responsible for implementation of the BR policy/ policies:** DIN Number : 00064110 Name : Dr. Malay Mahadevia Designation : Whole-Time Director	b) **Details of the BR head:** DIN Number (if applicable): NA Name: Capt. Unmesh Abhyankar Designation: Joint President - CEO office Telephone Number: 079 – 25555185 Email id: unmesh.abhyankar@adani.com

2. **Principle-wise (as per NVGs) BR Policy / policies (Reply in Y/N):**

Sr. No.	Questions	Business Ethics P1	Business Ethics P2	Employee Well-being P3	Stakeholder Engagement P4	Human Rights P5	Environment P6	Policy Advocacy P7	Inclusive Growth P8	Customer Value P9
1	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify?	The policies reflect the intent of the United Nations Global Compact, GRI guidelines and international standards such as ISO 14001, OHSAS 45001 and NVG Guidelines issued by Ministry of Corporate Affairs, Government of India.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	-	-	Y	Y	Y	-	Y	-
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	https://www.adaniports.com/Investors/Corporate-Governance.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders. The communication is an ongoing process to cover all internal and external stakeholders								
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

2a. If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options):

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principle	Not Applicable								
2	The Company is not at stage where it finds itself in a position to formulate and implement the policies on specified principle									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next six month									
5	It is planned to be done within next one year									
6	Any other reason (please specify)									

3. **Governance related to BR:**

   (i) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

   The Company's Business Responsibility performance is assessed quarterly.

   (ii) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

   The Company publishes Business Responsibility Report annually in its Integrated Annual Report and the same is available on http://www.adaniports.com.

Section E: Principle-wise Performance

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group /Joint Ventures / Suppliers /Contractors /NGOs / Others?**

   The Company has adopted Code of Conduct for its Directors, Senior Management and all employees of Adani Group Companies. It extends to all its subsidiaries and joint ventures.

   The Senior management and the Directors of the Company have to adhere to the Code of Conduct, constituted with an objective to promote ethics and transparency in the conduct of its operations.

   Policies including whistle blower are applicable to each employee working with the organization.

   Through Supplier Code of Conduct, the Company also ensures that all the registered vendors adhere to the ethical standards and also follow the Company's policies while performing any activities at Company's owned/ managed sites.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   Stakeholder's Relationship Committee received 6 complaints related to shareholders like non-receipt of Annual Report, non-receipt of declared dividend, revalidation of dividend warrant or refund order etc. All complaints were satisfactorily resolved.(Refer page no. 289)

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   The Company is in the port and infrastructure development sector, which provides services for cargo handling & logistic, operations & maintenance of port sector. The Company has incorporated social and environmental concerns for infrastructure development to logistic services. A number of sustainability initiatives have been taken during the FY 2020-21 enhancing our operational, environmental and safety performance. (Refer page no. 267-269 and 274)

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (optional).**

I. Reduction during sourcing / production / distribution achieved since the previous year through the value chain:

   The Company is taking various energy reduction initiatives year on year and achieving the energy reductions through its sustainable initiatives such as implementation of renewable energy projects, retrofitting, LED lighting etc.

   The Company has increased its energy intensity by 5% for APSEZ's standalone operations and has increased by 9% for consolidated operations including subsidiaries involved port and allied services. The Company's water intensity has increased by 10% for APSEZ's standalone operations and decreased by 1% for its consolidated operations as compared to previous year. APSEZ has recycled and reused 498 ML of treated waste water from its treatment plants and. 650 ML of wastewater has been treated and reused at consolidated level to avoid freshwater withdrawal from shared resources and has recycled and reused 650 ML of treated wastewater. Replaced HPSV and tube lights with LED lighting fixture continuing the energy reduction drive.

   APSEZ and its subsidiaries has installed capacity of 20 MW renewable energy and procuring 15 MW of wind energy. APSEZ alone has an installed capacity of 8.5 MW Solar plants.

II. Reduction during usage by consumers (energy, water) achieved since the previous year?

   The Company is not manufacturing any products hence not applicable.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   Yes, the Company's group level techno-commercial team has designed and developed the procurement guidelines. Company's General Contract Condition (GCC) covers the sustainable sourcing criteria such as procuring energy efficient equipment.

   The Company is practicing the sustainable sourcing for its operations. The mechanized conveyors for coal transportation, procuring E-RTG cranes, introduction of EV ITVs, procuring high energy rating equipment, water less urinals are the examples of sustainable sourcing.

4. **Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**

   The Company encourages procurement of goods from local vendors, thereby creating direct and indirect economic impact in the surrounding region. Additionally, the Company also procures various services (civil work, man power supply, maintenance work etc.) from local contractors, which has led to creation of employment opportunities and skill development of the local population. During FY 2020-21 more than 97% of materials & services were procured from India. Our 71% of procurement were from the states where we operate.

The Company follows a systematic process of vendor relationship management. The Company has initiated various programmes to transfer skills and knowledge to its supply chain. It has conducted annual vendor meets to encourage them and build strong relationship. The Company encourages for developing local vendors and service providers for procuring the material and waste management services.

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? If yes, what is the percentage of recycling of products and waste (Separately as < 5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   The Company complies with all applicable regulatory requirements pertaining to waste management. The Company is providing cargo handling & logistic services, which generates non-hazardous, e-waste, batteries waste, bio-medical waste and hazardous wastes. The Company is disposing its waste in environmental friendly manner through CPCB / SPCB registered CHWIF/ TSDF or authorised recyclers. The Company's wastes generated from our port sites have been decreased by 22% and for consolidated operations increased by 20% in FY 2020-21. Being a service industry, we don't have potential to recycling of generated waste in our operations. We managed our waste through 5R principles. APSEZ disposed 2025 MT of waste. 33% of total waste was recycled, 46% waste was reprocessed, 20% waste was sent for recovery as co-processing, less than 1% was sent for incineration and 0% for landfilling and additionally 1903 MT of metal scrap was sent for recycling. From consolidated operations, 6,885 MT of waste were generated. 20% of total waste was recycled, 23% was reprocessed, 39% was sent for recovery as co-processing, 13% was reused for operation and maintenance activities, 2% was sent for incineration and 3% for landfilling. Additionally, 4497 MT of metal scrap been sent for recycling.

Principle 3: Business should promote the wellbeing of all employees.

1. **Please indicate total number of employees.**

   The Company has a total of 1,184 employees as on March 31, 2021.

2. **Please indicate total number of employees hired on temporary/contractual/casual basis.**

   The Company has a total of 34 employees (32 male & 2 female) hired on contractual basis as on March 31, 2021.

3. **Please indicate the number of permanent women employees.**

   The Company has 13 women employees as on March 31, 2021.

4. **Please indicate the number of permanent employees with disabilities.**

   The Company has one permanent employee with disabilities as on March 31, 2021.

5. **Do you have an employee association that is recognized by the Management?**

   The Company does not have an employee association recognized by the Management.

6. **What percentage of permanent employees who are members of this recognized employee association?**

   Not applicable.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and those pending as on the end of the financial year.**

   There were no complaints of this nature during the financial year.

8. **What percentage of under mentioned employees were given safety and skill up-gradation training in the last year? (Permanent employees, permanent**

women employees, causal / subcontracted employees, employees with disabilities).

Employee training and skills development is an integral aspect of the Company's human resources strategy. The Company's training programs extend to all permanent and contractual employees, which are rolled out as per the annual training calendar and individual employee training needs, covering a significant percentage of employees. All contractual employees are given mandatory safety training on induction as well as on the job skills related training through the contractors and the Company.

Principle 4: Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. **Has the company mapped its internal and external stakeholders?**

   Yes, the Company has mapped its stakeholders and has a systematic stakeholder engagement process.

2. **Out of the above, has the company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   Yes, the Company has identified disadvantaged, vulnerable & marginalized stakeholders. The Company, through its social arm Adani Foundation works for the development of the said stakeholder group.

3. **Special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders:**

   After more than two decades of creating opportunities for the underprivileged sections of the society, Adani Foundation has turned its focus towards sustaining the impact of its efforts across the country. Today, its reach covers 3.67 million people in 2,410 villages in 18 States in India. Socially and economically disadvantaged sections of society are the focus of Adani Foundation's CSR efforts. These marginalized clusters comprise different segments of the population in different areas like tribal communities, farmers, women, children, widows and the differently-abled persons.

   For example, the fisher folk in coastal areas such as Mundra, Vizhinjam or Dhamra receive special attention. Women, similarly, constitute a major target set around whom Adani Foundation has developed unique programs. The company contributes to their sustainable and inclusive growth, more so in the areas where it operates its business. It has been promoting CSR activities in its operational areas through Adani Foundation in the following ways.

   Education: The Company and Adani Foundation run several cost-free schools as well as subsidized schools across India like Adani Vidya Mandir at Ahmedabad, Bhadreshwar and Sarguja, Adani Public School at Mundra, Adani DAV School at Dhamra, Navchetan Vidhyalay in Junagam (Surat). Many 'smart' learning programs as well as projects to adopt government schools are also being run in remote areas. The replicability and scalability of these educational models are ensuring that more and more children pave their way towards a bright future for themselves, their families and their community.

   Community Health: Bringing healthcare to remotest of regions, Adani Foundation's key focus is improving access to quality preventive and curative services for people belonging to the weaker sections of the society. In this pursuit, it runs Mobile Health Care Units (MHCUs) across the nation, hospitals and rural clinics, and organizes general as well as specialized health camps.

   Sustainable livelihood development: The Company and Foundation build social capital by promoting self-help groups, enhancing agricultural practices and organizing skill development training. Specific programmes are designed for fishermen communities, farmers and cattle owners, youth and women so that they can capitalize on their strengths and readily available resources to become self-reliant.

Community infrastructure development: Community infrastructure bears a direct impact on the standard of living. Access to resources, increase in the avenues for developing livelihoods, safe and clean sources of drinking water, and access to qualitative primary health care systems lead to better productivity, reduction in morbidity and adequate employment. Recognizing this, the Company and Foundation endeavour to make activities need-specific and responsive to grassroot requirements.

Principle 5: Business should respect and promote human rights.

1. **Does the Company's policy on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

   APSEZ conduct its business in a manner that respects the rights and dignity of all people, complying with all legal requirements.

   The company has instituted and implemented a Group level policy on human rights which covers all direct employees, consultants (including fixed term appointees), associates, trainees, suppliers, vendors etc. in all companies/businesses of the Group. APSEZ has supplemented the Group's Human Rights Policy by issuing its own set of guidelines showing APSEZ's commitment towards protecting the human rights of employees, vendors, customers and communities, in line with the UN Guiding Principles on Business and Human Rights, recognised frameworks and applicable laws and standards. We are signatory to United Nations Global Compact whose 2 principles out of 10 covers the Human rights aspects.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**

   No stakeholder complaints other than mentioned in the Corporate Governance Report were received during the financial year. The Company has implemented the web based grievance mechanism for stakeholders.

Principle 6: Business should respect, protect, and make effort to restore the environment.

1. **Does the policy pertaining to this Principle cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

   The Company has adopted an Environmental Policy as these aspects are integral to the Company's business values. The Policy covers only the Company.

2. **Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y / N. If yes, please give hyperlink for webpage etc.**

   Yes, the Company is continually doing several initiatives to address global environmental issues such as climate change and global warming in three different ways (i) through self-actions (ii) through awareness creation and (iii) through providing support for energy efficient services. The main objective behind all initiatives is to use and promote energy efficient technologies to reduce the energy consumption and related emission reduction. The Company has implemented number of initiatives, which has resulted in saving in fuel consumption and thereby avoided related emissions.

   The Company has also conducted carbon footprint assessment for all its operational ports - Dahej, Dhamra, Goa, Ennore, Kattupalli Hazira, Mundra, Tuna & Vizag, two joint ventures AICTPL & ACMTPL, Mundra, TAHSL, SSIDL ALL and AALL. Based on the assessment, Company will focus on reduction in energy consumption and emissions through various technical and technological interventions. Energy conservation targets are also taken for respective ports and efforts are made to achieve the same. The web link is https://www.adaniports.com.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   The Company has acquired International Standards ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 28000:2007, ISO 50001:2018 certifications specifying the requirements for an Integrated Management System (IMS) as part of its objective to improve quality, health, safety and environment in the work place.

   Yes, the Company regularly identifies and assesses environmental risk during all stages of its existing and planned projects being an integral part of IMS Certification. Additionally, the Company is also carrying out detailed environmental impact assessment studies to assess all the likely impacts due to project and also prepare environment management plan to mitigate those impacts.

   The Company is performing regular environmental monitoring of all the environmental parameters to assess the environmental status on a regular basis. Additionally, the Company is also carrying other scientific studies including marine modelling studies to assess the response of marine components and parameters to evaluate the marine operations safety.

4. **Does the Company have any project related to Clean Development Mechanism (CDM)? If so provide details thereof, in about 50 words or so. Also, If Yes, whether any environmental compliance report is filed?**

   No, the Company does not have any projects related to Clean Development Mechanism (CDM).

5. **Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc.? Y/N. If yes, provide hyperlink to web page etc.**

   The Company has already taken several initiatives to improve energy efficiency either through improved operations or adoption of better technologies. The Company has converted all its diesel operated cranes into electric mode. Additionally, the Company has also installed and operating regenerative crane system which reduces the demand for energy consumption. Golf carts are also used which in comparison to diesel driven cars, generate less emission. Solar lighting and solar water heaters are also installed at various locations within the port. The Company has installed roof top solar panels of 8.5 MW capacities at Mundra and thereby reduce the consumption & related emissions of conventional energy. The web link is https://www.adaniports.com.

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

   Yes, the company has adopted and implemented adequate pollution control measures to maintain the norms under desired levels and accordingly emissions / waste generated are within the permissible limits given by CPCB/SPCB and the Environment Monitoring data including emissions and Waste generation and disposal details are regularly submitted to statutory authorities. Six Monthly Compliance Reports of Environment & CRZ Clearance and annual Environment Statement submitted to regulatory authorities are kept on Company's website.

   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 Port has achieved Zero Waste to Landfill Assurance Statement.

   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.

- Various initiatives are implemented for reduction in water and energy consumption footprint. Such initiatives have not only resulted in net environmental benefits but have also reduced the operational costs. To meet the fresh water demand, other industries treated wastewater and sea water is utilized through desalination plant at Mundra.

- Developing greenbelt and conservation as well as enhancement of marine biodiversity are given equal importance along with the development. Total cumulative terrestrial greenbelt development done till date is about 965 hectares across all port locations, Cumulative mangrove afforestation is done in an area of 2,989 hectares (Approx.) along with conservation of 2,596 hectares at Mundra, 9 hectares at Dhamra, 3.64 Hectares at Krishnapatnam and a unique pilot project of development of bio-shield for protection of coastal areas is in progress at Jambusar, Gujarat.

In order to keep continuous track of impacts on environment, real time measurements of ambient air quality at Goa, Vizhinjam and Kattupalli ports & sea water turbidity at Vizhinjam port are carried out by installation of latest technological instruments.

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending as of end of financial year.**

   There are no show cause / legal notices received from CPCB/SPCB, which are pending as of end of financial year.

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your Company a member of any trade and chambers of association? If yes, name only those major ones that your business deals with.**

   Yes, the Company is a member of the following key associations:

   - Confederation of Indian Industry
   - Federation of Indian Export Organizations
   - World Economic Forum

   Adani Group is a member of the following key associations:

   - Federation of Indian Chamber of Commerce and Industry
   - The Associated Chambers of Commerce and Industry of India
   - Ahmedabad Management Association
   - Gujarat Chamber of Commerce and Industry

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes specify the broad areas (Governance and Administration, Economic Reform, Inclusive Development Polices, Energy security, Water, Food Security, Sustainable Business Principles, Others).**

   Yes, through its membership in the above bodies, the Company has advocated on the key areas of improving the logistics and rail connectivity of ports. The Company has also advocated regarding notification of ports under export promotion schemes. This enables EXIM players to take benefit of export promotion schemes when they handle cargo at notified ports.

Principle 8: Business should support inclusive growth and equitable development

1. **Does the company have specified programme / initiatives/ projects in pursuit of the policy related to principle 8? If yes details thereof.**

   The Company has been pursuing and promoting the societal mission of equitable development and inclusive growth through Adani Foundation, the CSR arm of the Adani Group of Companies. Adani Foundation, since its formation in year 1996, has been working in numerous strategic human development areas, benefitting the most underserved and disadvantaged members of the society. It works with a bottom-up approach with the community with a thrust on sustainability, transparency and replicability. Today, its reach covers 3.67 million people in 2,410 villages across 18 Indian states, creating meaningful impact in the lives of individuals, families and societies. Its core areas of focus are Education, Community Health, Sustainable Livelihoods and Community Infrastructure Development.

2. **Are the programmes/projects undertaken through in-house team / own foundation /external NGO/ Govt. structure /any other organisation?**

   Adani Foundation is the CSR arm of Adani Group, aligning its initiatives with the group philosophy of Growth with Goodness. The Foundation has proper operational and functional structures in place. At various strategic project locations across India, the organization has got both human resource and operational infrastructure for efficient functioning.

   In addition, Adani Foundation has partnerships and collaborations with organizations of relevant expertise that include government departments & institutions, non-government think-tanks and agencies as well as community-based knowledge-sharing groups, among many others.

3. **Have you done any impact assessment of your initiative?**

   Yes, impact assessments of the ongoing CSR programs and need/ outcome assessment at grass root level through participatory rural appraisals are conducted at regular intervals to evaluate and continually improve the program implementation and outcomes.

4. **What is the Company's direct monetary contribution to community development projects and details of projects undertaken?**

   The Company's monetary contribution to community development projects in FY 2020-21 was Rs. 72.99 crore. The focus areas of the Company's community development projects are outlined in response to Question 5 under Section B.

5. **Have you taken steps to ensure that community development initiative is successfully adopted by the community? Please explain in 50 words.**

   Community members are included in the process of need assessment, inception, execution and utilization of services related to any development initiative. In addition, efforts are made to involve relevant govt. agencies and suitable non-govt. organizations. These inclusive approach help make our initiatives become more sustainable and being adopted by the community.

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner.

The customers have always been pivotal in shaping our strategies and developing business. In order to enhance our customer centricity levels way ahead of the market place, we have established a dedicated Customer Service Cell (CSC). The CSC would be single point of contact for all the customers trying to reach out and interact with us.

1. **What Percentage of customer complaints / consumer cases are pending as on the end of FY 2020-21?**

   There are no customer complaints / consumer cases pending as of end of FY 2020-21.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information)**

   The Company does not manufacture any product; hence this is not applicable.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as of end of FY 2020-21?**

   There are no such cases against the Company in the Court of law.

4. **Did your company carry out any consumer survey / consumer satisfaction trends?**

   The Company actively seeks function-wise feedback from various stakeholders. For example, vessel feedback is collected from vessel masters for each and every vessel handled at the port.

   The Company carries out customer satisfaction survey through deployment of internal resources. The survey is normally conducted on an annual basis and covers feedback of customers across all port business verticals.

Standalone 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

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, 2021, 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 (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, 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, 2021, 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:

(i) Note 4 (b) (ii) to the standalone financial statements regarding the management's assessment of its investment of ₹115.89 crores and outstanding loans aggregating ₹441.63 crores (including accrued interest of ₹28.20 crore) in Adani Murmugao Port Terminal Private Limited ("AMPTPL") and investment of ₹370.05 crore and outstanding loans aggregating ₹864.55 crore (including interest accrued ₹43.79 crore) in Adani Kandla Bulk Terminal Private Limited ("AKBTPL"), as at March 31, 2021, subsidiaries of the Company, being considered recoverable based on the various judgements and estimates related to cargo traffic, port tariffs, inflation, discount rates, implications expected to arise from COVID-19 pandemic, and operational benefits over the balance concession period to determine the cashflows for AMPTPL and AKBTPL and receipt of future relaxation of revenue share in case of AMPTPL. Accordingly, for the reasons stated in the said Note, no provision towards impairment of carrying values of the aforesaid investments and loans is considered necessary at this stage.

(ii) Note 42 to the standalone financial statements which describes a matter relating to delay in achievement of scheduled Commercial Operational Date ("COD" i.e. December 03, 2019) for the development of international deep-water multipurpose seaport being constructed by a wholly owned subsidiary, Adani Vizhinjam Port Private Limited ("AVPPL"), at Vizhinjam, Kerala as stipulated under the relevant Concession Agreement and status of the arbitration proceedings initiated by AVPPL to resolve disputes with the Government authorities over various matters relating to development of the project, which led to delay in achieving scheduled COD, as at reporting date, detailed in the said note.

Our opinion is not modified in respect of these matters.

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 matters described below to be the key audit matters to be communicated in our report.

Impairment of Non-current Investment and Loans to Adani Murmugao Port Terminal Private Limited ("AMPTPL") and 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 equity investments of ₹370.05 crores and ₹115.89 crores in AMPTPL and AKBTPL respectively. Further the Company has also provided loans of ₹864.55 crores (including interest accrued ₹43.79 crores) and ₹441.63 crores (including interest accrued ₹28.20 crores) to these entities respectively.

The Company has carried out detailed evaluation of recoverable values of its equity investments in and loans to these companies considering various factors, as further explained in Note 4 (b) (ii) to the standalone financial statements. 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. Based on such assessment the management has concluded that the carrying value of the investments and loans are good and recoverable. Any adverse changes in these assumptions could have a significant impact on either the recoverable value, or the amount of any impairment charge, or both.

We focused on this area as Key Audit Matter due to the size/materiality of the balances of equity investment in and loans to these companies, and due to the multitude of factors and assumptions involved in determining the forecasted revenues/cash flows and discount rate in the projection period requiring significant judgments to estimate the recoverable values

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:

- Evaluated the Design and Implementation of the relevant internal controls and tested the operating effectiveness of such internal controls over impairment assessment process, which inter-alia included the management's control over reasonableness of the assumptions considered to forecastsof future revenues and operating margin, and the selection of the discount rate.
- We obtained the investment valuations from the management and performed the following substantive procedures:
  - Evaluated the reasonableness of revenue related assumptions considered in the projections with the company's historical revenue growth and internal communications to management, Audit Committee and the Board of Directors
  - Evaluated the appropriateness of other key assumptions considered, in developing the projections by considering the historical accuracy of the Company's estimates in the prior periods.
  - With internal fair-value specialists, we evaluated the reasonableness of (1) the valuation methodology and (2) the discount rate considered, 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 Director's 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 relevant 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 standard, for material foreseeable losses, if any, on long-term 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("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: 21106189AAAAEN3060)

Place: Ahmedabad
Date: May 04, 2021

Annexure "A" To The Independent Auditor's Report Of Adani Ports And Special Economic Zone Limited

(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, 2021 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, 2021, 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: 21106189AAAAEN3060)

Place: Ahmedabad
Date: May 04, 2021

Annexure "B" To The Independent Auditor's Report Of Adani Ports And Special Economic Zone Limited

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

(i) In respect of property, plant and equipment

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

b. Some of the property, plant and equipment 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 at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and acquired buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

Particulars of the land and building	Gross Block as at Balance sheet Date (₹ in crore)	Net Block as at Balance sheet Date (₹ in crore)	Remarks
Reclaimed land measuring 1093.53 Hectares	180.18	126.00	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)(vi)&(vii) of standalone financial statements)
612 Residential Flats and a Hostel Building	130.75	114.89	The said flats and building are located at Samundra Township, Mundra and are pending to be registered in the name of the Company. (Refer note 3 (a)(iv) of the standalone financial statements)

In respect of immovable properties of land and building that have been taken on lease and disclosed as Right of Use Assets in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of sub clauses (a), (b), and (c) of clause (iii) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.

(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 and that the same have been given 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.

(b) 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, 2021 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Service Tax and Customs Duty which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in crore)	Amount Unpaid (₹ in crore)
Customs Act, 1962	Custom Duty	Commissioner of Customs & Excise, Ahmedabad	June, 2008	2.00	2.00
		Assistant Commissioner of Customs, Mundra	July, 2003	0.14	0.14
Finance Act, 1994	Service Tax	Supreme Court	December, 2004 to March, 2006	11.21	6.71
		High Court of Gujarat	April, 2004 to September, 2011	173.63	173.63
		Commissioner of Service Tax, Ahmedabad	September, 2009 to March, 2010	0.61	0.61
		Commissioner/ Additional Commissioner of Service Tax, Ahmedabad	April, 2011 to March, 2017	500.34	500.34
		High Court of Gujarat	April, 2004 to August, 2009	6.72	6.72
		Commissioner of Service Tax, Ahmedabad	April, 2009 to March, 2011	0.17	0.17
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	AY 2011-12 to AY 2016-17	122.16	85.58
		Commissioner of Income Tax (Appeal)	AY 2012-13 to AY 2014-15	3.65	3.65

There are no dues of Sales Tax, Excise Duty, Value Added Tax and Goods and Services Tax as on March 31, 2021 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, as at the reporting date, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to debenture holders. The Company has not taken any loans from the government.

(ix) In our opinion and according to the information and explanations given to us, and overall examination of the balance sheet, monies raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and considering the legal opinion taken by the Company on applicability of Section 188(1)(d) of the Companies Act, 2013, in respect of loans given by the Company to its subsidiary companies, the Company is in compliance with Sections 188 and 177 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) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

(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) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Kartikeya Raval
Partner
(Membership No. 106189)
(UDIN: 21106189AAAAEN3060)

Place: Ahmedabad
Date: May 04, 2021

Balance Sheet
as at March 31, 2021

₹ in crore

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3 (a)	9,845.43	10,182.22
Right-of-Use assets	3 (b)	364.57	318.08
Capital Work-in-Progress		590.23	675.36
Goodwill	3 (d)	44.86	44.86
Other Intangible Assets	3 (c)	27.41	37.60
Financial Assets			
(i) Investments	4	20,768.88	15,603.89
(ii) Loans	6	14,666.23	10,094.50
(iii) Other Financial Assets			
- Bank Deposits having maturity over twelve months	11	81.11	0.20
- Other Financial Assets other than above	7	2,821.42	2,515.96
Deferred Tax Assets (net)	26	483.23	954.39
Other Non-Current Assets	8	917.00	967.44
		50,610.37	**41,394.50**
Current Assets			
Inventories	9	74.22	86.92
Financial Assets			
(i) Investments	10	926.02	11.89
(ii) Trade Receivables	5	1,092.61	1,519.62
(iii) Customers' Bill Discounted	5	539.81	613.05
(iv) Cash and Cash Equivalents	11	3,310.74	4,408.39
(v) Bank Balances other than (iv) above	11	153.40	35.78
(vi) Loans	6	704.71	1,571.00
(vii) Other Financial Assets	7	785.33	1,655.30
Other Current Assets	8	361.12	516.19
		7,947.96	**10,418.14**
Total Assets		**58,558.33**	**51,812.64**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	406.35	406.35
Other Equity	13	21,394.93	19,458.82
Total Equity		**21,801.28**	**19,865.17**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	30,950.12	24,637.75
(ii) Other Financial Liabilities	15	160.66	136.40
Provisions	19	2.40	-
Other Non-Current Liabilities	16	563.08	625.52
		31,676.26	**25,399.67**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	1,733.40	2,202.12
(ii) Customers' Bill Discounted	17	539.81	613.05
(iii) Trade and Other Payables	18		
- total outstanding dues of micro enterprises and small enterprises		1.94	0.58
- total outstanding dues of creditors other than micro enterprises and small enterprises		214.75	217.07
(iv) Other Financial Liabilities	15	1,510.18	2,334.00
Other Current Liabilities	16	1,064.17	1,136.49
Provisions	19	16.54	44.49
		5,080.79	**6,547.80**
Total Liabilities		**36,757.05**	**31,947.47**
Total Equity And Liabilities		**58,558.33**	**51,812.64**

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 04, 2021

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

Deepak Maheshwari
Chief Financial Officer

Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : May 04, 2021

Statement of Profit and Loss

for the year ended March 31, 2021

₹ in crore

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME			
Revenue from Operations	20	4,377.15	4,643.28
Other Income	21	2,266.31	2,902.97
Total Income		**6,643.46**	**7,546.25**
EXPENSES			
Operating Expenses	22	919.47	1,067.44
Employee Benefits Expense	23	235.01	224.61
Finance Costs	24		
Interest and Bank Charges		2,201.15	1,878.55
Derivative Loss/(Gain) (net)		125.70	(126.67)
Depreciation and Amortisation Expense	3	619.18	553.29
Foreign Exchange (Gain)/Loss (net)		(718.48)	1,581.71
Other Expenses	25	351.79	335.59
Total Expenses		**3,733.82**	**5,514.52**
Profit Before Tax		2,909.64	2,031.73
Tax Expense:	26		
Current tax		948.74	367.25
Deferred tax		32.97	(269.77)
Total Tax Expense		981.71	97.48
Profit for the year	(A)	**1,927.93**	**1,934.25**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on defined benefit plans		(3.65)	(1.43)
Income tax impact		1.27	0.50
		(2.38)	**(0.93)**
Net Gains on FVTOCI Equity Investments		12.50	15.00
Income tax impact		(1.94)	(2.76)
		10.56	**12.24**
Total Other Comprehensive Income (net of tax)	(B)	**8.18**	**11.31**
Total Comprehensive Income for the year (net of tax)	(A)+(B)	**1,936.11**	**1,945.56**
Earnings per Share - (Face value of ₹2 each) Basic and Diluted (in ₹)	27	9.49	9.43

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
Wholetime Director and CEO
DIN: 03088095

Deepak Maheshwari
Chief Financial Officer

Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : May 04, 2021

Place : Ahmedabad
Date : May 04, 2021

Statement of Changes in Equity

for the year ended March 31, 2021

₹ in crore

Particulars	Equity Share Capital	Other Equity								Total
		Equity Component of Non-Cumulative Redeemable Preference shares	Reserve and Surplus						Other Comprehensive Income	
			Securities Premium	Foreign Currency Monetary item Translation Difference Account	Debenture Redemption Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings		
Balance as at April 1, 2019	**414.19**	**165.88**	**2,535.70**	**(71.07)**	**514.04**	**2,575.87**	**-**	**14,193.80**	**163.26**	**20,491.67**
Profit for the year	-	-	-	-	-	-	-	1,934.25	-	1,934.25
Other Comprehensive income										
Re-measurement Loss on defined benefit plans (net of tax)	-	-	-	-	-	-	-	(0.93)	-	(0.93)
Net Gains on FVTOCI Equity Investments (net of tax)	-	-	-	-	-	-	-	-	12.24	12.24
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**		**1,933.32**	**12.24**	**1,945.56**
Foreign exchange (loss) / gain during the year	-	-	-	(16.79)	-	-	-	-	-	(16.79)
Amortised in statement of profit and loss	-	-	-	87.86	-	-	-	-	-	87.86
Dividend	-	-	-	-	-	-	-	(691.58)	-	(691.58)
Buyback of equity Shares (refer note 12(a)(ii))	(7.84)	-	(1,952.16)	-	-	-	-	-	-	(1,960.00)
Transaction costs for buyback	-	-	-	-	-	(10.72)	-	-	-	(10.72)
Transfer to Capital Redemption Reserve upon buyback (refer note 12(a)(ii))	-	-	-	-	-	(7.84)	7.84	-	-	-
Transfer to General Reserve	-	-	-	-	(162.49)	162.49	-	-	-	-
Pre-mature redemption of Preference Shares (refer note 12(b)(iii))	-	(14.17)	-	-	-	-	-	-	-	(14.17)
Gain on Pre-mature redemption of Preference Shares	-	-	-	-	-	-	-	18.52	-	18.52

Statement of Changes in Equity

for the year ended March 31, 2021

₹ in crore

Particulars	Equity Share Capital	Other Equity								Total
		Equity Component of Non-Cumulative Redeemable Preference shares	Reserve and Surplus						Other Comprehensive Income	
			Securities Premium	Foreign Currency Monetary item Translation Difference Account	Debenture Redemption Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings		
Transfer to Debenture Redemption Reserve	-	-	-	-	125.65	-	-	(125.65)	-	-
Impact due to remeasurement of Deferred Tax (refer note 12(b)(ii))	-	14.82	-	-	-	-	-	-	-	14.82
Balance as at March 31, 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
Other Comprehensive income										
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
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,925.55**	**10.56**	**1,936.11**
Transfer to General Reserve	-	-	-	-	(46.17)	46.17	-	-	-	-
Transfer to Debenture 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**

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 04, 2021

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

Deepak Maheshwari
Chief Financial Officer

Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : May 04, 2021

Statement of Cash Flows

for the year ended March 31, 2021

₹ in crore

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**Cash Flows from Operating Activities**		
	Net profit before Tax	2,909.64	2,031.73
	Adjustments for :		
	Depreciation and Amortisation Expense	619.18	553.29
	Unclaimed Liabilities / Excess Provision Written Back	(0.29)	(0.11)
	Cost of assets transferred under Finance Lease	0.11	0.51
	Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(62.24)	(62.24)
	Financial Guarantees Income	(3.80)	(2.71)
	Amortisation of Government Grant	(0.10)	(0.09)
	Finance Costs	2,201.15	1,878.55
	Derivative Loss /(Gain) (net)	125.70	(126.67)
	Effect of exchange rate change	(718.48)	1,650.76
	Interest Income (Including for change in fair valuation)	(2,194.05)	(2,075.03)
	Dividend Income	(7.01)	(702.84)
	Net gain on sale of Current Investment	(4.62)	(27.11)
	Amortisation of fair valuation adjustment on Security Deposit	1.72	1.72
	Gain on Sale / Discard of Property, Plant and Equipment (net)	(0.09)	(8.36)
	Operating Profit before Working Capital Changes	**2,866.82**	**3,111.40**
	Adjustments for :		
	Decrease in Trade Receivables	408.13	32.92
	Decrease/(Increase) in Inventories	12.70	(24.36)
	Decrease/(Increase) in Financial Assets	57.96	(169.18)
	Decrease/(Increase) in Other Assets	307.24	(77.80)
	(Decrease) in Provisions	(7.94)	(1.64)
	Increase in Trade and Other Payables	0.99	18.80
	Increase in Financial Liabilities	11.56	55.46
	(Decrease)/Increase in Other Liabilities	(72.32)	752.34
	Cash Generated from Operations	3,585.14	3,697.94
	Direct Taxes (paid) (Net of Refunds)	(543.34)	(527.99)
	Net Cash generated from Operating Activities	**3,041.80**	**3,169.95**
B.	**Cash Flows from Investing Activities**		
	Purchase of Property, Plant and Equipment (Including capital work-in-progress, other Intangible assets, capital advances and capital creditors)	(553.07)	(863.25)
	Proceeds from Sale of Property, Plant and Equipment	4.06	77.40
	Investments made in Subsidiaries / Associates /Joint ventures	(5,017.55)	(2,623.45)
	Redemption of investment in Subsidiary	630.00	500.20
	Proceeds from sale of Investments	6.03	78.47
	Deposit given against Commitments (net)	(258.20)	(60.00)
	Loans given	(36,357.71)	(36,842.70)
	Loans received back	31,865.09	36,464.68
	(Deposits in)/Proceeds from Bank Deposits (net) (including margin money deposits)	(198.53)	(17.03)
	Proceeds from sale of Investments in Mutual Fund (net)	16.51	29.03
	Investment made in Pass Through Certificates	(926.02)	-
	Sale of Investments in short term Debentures and Commercial Papers (net)	-	492.00
	Dividend Received	7.01	702.84
	Interest Received	2,815.78	2,030.46
	Net Cash used in Investing Activities	**(7,966.60)**	**(31.35)**

Statement of Cash Flows

for the year ended March 31, 2021

₹ in crore

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
C.	**Cash Flows from Financing Activities**		
	Proceeds from Non-Current Borrowings	16,418.98	11,427.07
	Repayment of Non-Current Borrowings	(10,141.13)	(5,740.79)
	Proceeds from Current Borrowings	5,100.00	6,772.41
	Repayment of Current Borrowings	(6,350.00)	(6,833.05)
	Net movement in Other Current Borrowings (maturity period less than 3 months)	775.40	(3,652.29)
	Payment on buy-back of equity shares	-	(1,960.00)
	Payment on redemption of preference shares (refer note 12(b)(iii))	-	(12.40)
	Transaction costs for buyback of equity shares	-	(10.72)
	Interest & Finance Charges Paid	(1,953.13)	(1,858.37)
	Repayment of lease liabilities	(1.80)	(1.20)
	Loss on settlement / cancellation of derivative contracts	(20.94)	(20.47)
	Payment of Dividend on Equity and Preference Shares	(0.23)	(690.93)
	Net Cash generated from/(used in) Financing Activities	**3,827.15**	**(2,580.74)**
D.	**Net (decrease)/increase in Cash and Cash Equivalents (A+B+C)**	**(1,097.65)**	**557.86**
E.	**Cash and Cash Equivalents at the Beginning of the Year**	**4,408.39**	**3,850.53**
F.	**Cash and Cash Equivalents at the End of the Year (refer note 11)**	**3,310.74**	**4,408.39**
	Components of Cash & Cash Equivalents (refer note 11)		
	Cash on Hand	0.18	0.16
	Balances with Scheduled Banks		
	- In Current Accounts	2,806.07	4,408.23
	- In Fixed Deposit Accounts	504.49	-
	Cash and Cash Equivalents at the end of the year	**3,310.74**	**4,408.39**

Summary of significant accounting policies refer note 2.2

Note:

1 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).

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

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
Wholetime Director and CEO
DIN: 03088095

Deepak Maheshwari
Chief Financial Officer

Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : May 04, 2021

Place : Ahmedabad
Date : May 04, 2021

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, 2021. 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 04, 2021.

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

2 Basis of Preparation

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

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

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

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

In addition, the financial statements are presented in Indian Rupees (₹) in 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.

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.

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

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 32.2 and 2.3)
- Quantitative disclosures of fair value measurement hierarchy (refer note 32.2)
- Investment in unquoted equity shares (refer note 4)
- Financial instruments (including those carried at amortised cost) (refer note 32.1)

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

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

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.

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

Deferred tax

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

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

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

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

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

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

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

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

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

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

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

g) Property, Plant and Equipment (PPE)

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

Property, Plant and Equipment and Capital work in progress are stated at cost. Such cost includes the cost of replacing parts of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

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 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

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 the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j) Leases

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

Company as a lessee

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

i) Right-of-Use Assets

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

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

ii) Lease Liabilities

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

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

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

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

Company as a lessor

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

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

k) Inventories

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

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

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

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

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

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

l) Impairment of non-financial assets

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

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

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

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

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

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 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 it's 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

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

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 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:

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

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

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.

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.

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

In the current year, the Company has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after April 01, 2020.

Amendments to Ind AS 116 - Covid-19 Related Rent Concessions

The Company has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and

(c) There is no substantive change to other terms and conditions of the lease.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to Ind AS 103

Definition of a business

The Company has adopted the amendments to Ind AS 103 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 April 2020.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to Ind AS 1 and Ind AS 8 - Definition of "material"

The Company has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to Ind AS 109 and 107 - Interest Rate Benchmark Reform

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The adoption of the amendments has not had any impact on the disclosures or on the amounts reported in these financial statements.

2.3 Significant accounting judgments, estimates and assumptions

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

(A) Judgments

As per Government notification no. 57/2015-2020 dated March 31, 2020 the Company is entitled to Service Exports from India Scheme (SEIS) benefits on Port Services till year ended March 31, 2020 and accordingly company has accounted the same on provisional basis pending notification in receipt of the eligible service and rate of rewards as at reporting date (Refer note 8 (c)).

(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 26.

iii) Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in note 28.

Fair value measurement

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

Provision for Decommissioning Liabilities

The management of the Company has estimated that there is no contractual and probable decommissioning liability under the condition / terms of the concession agreement with the GMB.

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, 2021

3. Property, Plant and Equipment, Right of use assets, other Intangible Assets and Goodwill

Note 3(a) Property, Plant and Equipment

₹ In crore

Particulars	Free Hold Land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Lease hold land	Land Development cost	Office Equipment	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Tracks	Railway Wagons	Tugs and Boats	Project Assets	Total
Cost																
As at April 1, 2019	**548.18**	**2,084.83**	**55.09**	**65.36**	**309.39**	**60.42**	**2,663.92**	**132.84**	**20.72**	**2,488.29**	**1,339.72**	**293.41**	**-**	**18.02**	**914.63**	**10,994.82**
Additions	26.24	124.21	26.10	-	18.16	23.90	777.97	49.13	2.32	77.21	566.32	2.08	233.56	-	73.12	2,000.32
Deductions/Adjustment	(0.51)	-	(0.80)	-	-	-	(90.39)	-	(0.80)	-	-	-	(211.26)	-	(17.14)	(320.90)
Reclassified on account of adoption of Ind As 116 (refer note (3)(b))	-	-	-	(65.36)	-	-	-	-	-	-	-	-	-	-	-	(65.36)
Exchange difference	-	13.56	-	-	-	-	30.15	-	-	5.83	22.12	3.32	-	-	13.59	88.57
As at March 31, 2020	573.91	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)	(32.26)
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**
Accumulated Depreciation																
As at April 1, 2019	-	411.10	27.79	8.76	64.48	23.18	707.23	12.79	12.05	148.92	117.89	115.97	-	6.66	352.63	2,009.45
Depreciation for the year	-	86.23	10.51	-	16.41	12.55	216.81	15.29	2.66	50.69	32.36	21.42	0.05	1.62	88.01	554.61
Reclassified on account of adoption of Ind As 116 (refer note (3)(b))	-	-	-	(8.76)	-	-	-	-	-	-	-	-	-	-	-	(8.76)
Deductions/ Adjustment	-	-	(0.73)	-	-	-	(29.44)	-	(0.70)	-	-	-	-	-	(9.20)	(40.07)
As at March 31, 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**
Net Block																
As at March 31, 2020	573.91	1,725.27	42.82	-	246.66	48.59	2,487.05	153.89	8.23	2,371.72	1,777.91	161.42	22.25	9.74	552.76	10,182.22
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**

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

3. Property, Plant and Equipment, Right of use assets, other Intangible Assets and Goodwill (contd.)

i) Depreciation of ₹16.10 crore (previous year ₹37.59 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 ₹2.37 crore (previous year ₹1.98 crore) which is constructed on land not owned by the Company.

iv) Buildings includes 612 residential flats (previous year 612 flats) and a hostel building valuing ₹130.75 crore (Gross) (previous year ₹130.75 crore), accumulated depreciation ₹15.86 crore (previous year ₹13.18 crore) at Samudra Township, Mundra, which are pending to be registered in Company's name.

v) 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. During the previous year, on adoption of Ind As 116 same has been classified to Right of use assets .

vi) Land development cost on leasehold land includes costs incurred towards reclaimed land of ₹180.18 crore (Gross) (previous year ₹180.18 crore), accumulated depreciation ₹54.18 crore (previous year ₹45.51 crore). The cost has been estimated by the management, being cost allocated out of the dredging activities approximate the actual cost.

vii) Reclaimed land measuring 1,093.53 hectare are pending to be registered in the name of the Company.

viii) Project Assets includes dredgers and earth moving equipments.

ix) Free Hold and Lease Hold Land includes Land given on Operating Lease Basis:

Gross Block as at March 31, 2021 : ₹6.71 crore (previous year : ₹6.71 crore)

Accumulated Depreciation as at March 31, 2021 : ₹0.36 crore (previous year : ₹0.30 crore)

Net Block as at March 31, 2021 : ₹6.35 crore (previous year : ₹6.41 crore)

x) Refer footnote to note 14 and 17 for security / charges created on property, plant and equipment.

Note 3(b) Right-of-Use assets

₹ in crore

Particulars	Land	Building	Total
Cost			
Recognition on Initial application of Ind As 116 as at April 01, 2019	153.96	60.42	214.38
Reclassified on account of adoption of Ind As 116	56.60	-	56.60
Addition during the year	66.88	-	66.88
As at March 31, 2020	**277.44**	**60.42**	**337.86**
Additions	69.22	-	69.22
As at March 31, 2021	**346.66**	**60.42**	**407.08**
Accumulated Depreciation			
Depreciation for the year	14.12	5.66	19.78
As at March 31, 2020	**14.12**	**5.66**	**19.78**

3. Property, Plant and Equipment, Right of use assets, other Intangible Assets and Goodwill
(contd.)

₹ in crore

Particulars	Land	Building	Total
Depreciation for the year	17.07	5.66	22.73
As at March 31, 2021	**31.19**	**11.32**	**42.51**
Net Block			
As at March 31, 2020	263.32	54.76	318.08
As at March 31, 2021	**315.47**	**49.10**	**364.57**

Note 3 (c) Other Intangible Assets

₹ In crore

Particulars	Software	Railway License	Total
Cost			
As at April 1, 2019	**67.94**	**5.00**	**72.94**
Additions	10.10	-	10.10
As at March 31, 2020	**78.04**	**5.00**	**83.04**
Additions	6.74	-	6.74
Deductions/Adjustment	(7.96)	-	(7.96)
As at March 31, 2021	**76.82**	**5.00**	**81.82**
Accumulated Amortisation			
As at April 1, 2019	28.92	0.03	28.95
Amortisation for the year	16.35	0.14	16.49
As at March 31, 2020	**45.27**	**0.17**	**45.44**
Amortisation for the year	16.79	0.14	16.93
Deductions/Adjustment	(7.96)	-	(7.96)
As at March 31, 2021	**54.10**	**0.31**	**54.41**
Net Block			
As at March 31, 2020	32.77	4.83	37.60
As at March 31, 2021	**22.72**	**4.69**	**27.41**

Note 3 (d) Goodwill

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Carrying value at the beginning	44.86	44.86
Carrying value at the end	**44.86**	**44.86**

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

4 Non - Current Investments

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Unquoted		
In Equity Shares of Company [(Investment at fair value through OCI) (refer note (d) below)]		
5,00,00,000 (previous year 5,00,00,000) fully paid Equity Shares of ₹10 each of Kutch Railway Company Limited	262.50	250.00
5,50,000 (previous year 5,50,000) fully paid Equity Shares of ₹10 each of Mundra Solar Technopark Private Limited	0.94	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 Mundra Port Pty Limited	*-	*-
Total FVTOCI Investment	263.54	251.04
In Equity Shares of subsidiaries (valued at cost)		
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)	729.50	722.33
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
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
1,31,35,000 (previous year 1,31,35,000) fully paid Equity Shares of ₹10 each of MPSEZ Utilities Limited (refer note (e) below) (Formerly know as MPSEZ Utilities Private Limited)	52.53	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) (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 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 know 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	0.69
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

4 Non - Current Investments (contd.)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Kattupalli Port Limited (Formerly know 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 know as Shanti Sagar International Dredging Private Limited)	142.40	142.40
89,70,00,000 (previous year 19,99,56,250) fully paid Equity Shares of ₹10 each of Adani Vizhinjam Port Private Limited (refer note (a) and (e) below)	902.00	199.96
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	2,808.44
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	12.85
5,76,92,155 (previous year 5,76,92,155) Equity Shares of ₹10 each of The Adani Harbour Services Limited (Formerly know as The Adani Harbour Services Private Limited)	106.26	106.26
50,000 (previous year 50,000) Equity Shares of ₹10 each of Madurai Infrastructure Private Limited (Formerly know 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 (Acquisition of Controlling Interest in Equity Shares of Company)	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) Equity Shares of ₹10 each of Mundra International Gateway Terminal Private Limited	0.05	0.05
38,80,00,000 (previous year 38,80,00,000) Equity Shares of ₹10 each of Marine Infrastructure Developer Private Limited	388.00	388.00
6,64,32,120 (previous year Nil) Equity Shares of ₹10 each of Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) (refer note (i))	3,395.01	-
50,000 (previous year 50,000) Equity Shares of ₹10 each of Mundra Crude Oil Terminal Private Limited (formerly known as Adani Bhavanapadu Port Private Limited)	0.05	0.05
50,000 (previous year 50,000) Equity Shares of ₹10 each of Adani Tracks Management Services Private Limited (refer note (h))	0.05	0.05
1,000 (previous year 1,000) Equity Shares of SGD 1 each of Adani International Terminals Pte Limited (refer note (e) below)	6.36	6.36
50,000 (previous year 50,000) Equity Shares of ₹10 each of Adani Pipelines Private Limited (refer note (h) below)	0.05	0.05
5,50,000 (previous year 5,50,000) Equity Shares of BDT 10 each of Adani Bangladesh Ports Private Limited (refer note (h) below)	0.47	0.47
6,000 (previous year 6,000) Equity Shares of USD 1 each of Adani Mundra Port Holding Pte Limited (refer note (e) below)	0.04	0.06
10,00,000 (previous year Nil) Equity Shares of ₹10 each of Dighi Port Limited (refer note (j) below)	1.00	-
	10,157.31	6,049.31

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

4 Non - Current Investments (contd.)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
In Equity Shares of joint ventures (valued at cost)		
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 (a) and (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
	404.89	404.89
Investment in Cumulative Convertible Debentures of subsidiary (valued at cost) (refer note (l))		
245,70,00,000 (previous year 245,70,00,000) 0.01% Non Cumulative Compulsory Convertible Debentures (Previous year 7.50% Cumulative Convertible Debentures) of ₹10 each of The Dhamra Port Company Limited	2,457.00	2,457.00
Investment in Perpetual Non-Cumulative Non-convertible Debentures of subsidiaries (valued at cost) (refer note (f) below)		
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
Investment in Perpetual Debt of subsidiaries (valued at cost) (refer note (f) below)		
Adani Logistics Limited	2,190.00	2,820.00
Madurai Infrastructure Private Limited (formerly known as Mundra LPG Infrastructure Private Limited)	233.93	233.93
Marine Infrastructure Developer Private Limited	500.00	500.00
Adani Ennore Container Terminal Private Limited	500.00	-
Adani Kandla Bulk Terminal Private Limited	250.00	-
Investment in Compulsory Convertible Cumulative Participatory Preference Shares (valued at cost)		
0.001% 68,00,07,962 (previous year Nil) Compulsory Convertible cumulative Participatory Preference Shares of ₹10 each of Adani Krishnapatnam Port Limited	924.49	-
	20,877.16	**15,712.17**

4 Non - Current Investments (contd.)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
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)
	20,768.88	**15,603.89**

* Figures being nullified on conversion to ₹ in crore.

Notes:

a) Number of Shares pledged with banks against borrowings by the respective companies are as per below.

₹ In crore

Particulars	No of Shares Pledged	
	March 31, 2021	March 31, 2020
Subsidiary Companies		
(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	-
Joint Venture		
(i) Adani International Container Terminal Private Limited	-	16,13,04,540
(ii) Adani CMA Mundra Terminal Private Limited	3,02,82,922	3,02,82,922
	83,87,82,922	73,09,87,462

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 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) The carrying amounts of long-term investments in equity shares and perpetual securities of wholly owned subsidiary companies viz. Adani Kandla Bulk Terminal Private Limited ("AKBTPL") and Adani Murmugao Port Terminal Private Limited ("AMPTPL") aggregates to ₹485.94 crore as at March 31, 2021 and long term loans include loans given to AKBTPL and AMPTPL aggregating to ₹1,306.18 crore (including interest accrued ₹71.99 crore) as at March 31, 2021. The said individual subsidiary companies have incurred losses in the recent years and individually have negative net worth which aggregate ₹539.65 crore as at March 31, 2021. The Company has been providing financial support to these entities to meet its financial obligations, as and when required in the form of loans, which are recoverable at the end of the concession period associated with these subsidiaries. AKBTPL has received relaxation in the form of rationalisation on revenue share on storage income from the Port Trust in accordance with guidelines from Ministry of Shipping ("MoS") in financial year 2018-19. During current year, AMPTPL has also received similar relief in terms of rationalised tariff on storage charges from the authorities for financial year 2019-20.

The Company has determined the recoverable amounts of its investments and loans in these subsidiaries as at March 31, 2021 by considering a discounted cash flow model. Such determination is based on significant estimates & judgements to be made by the management as regards the benefits of the

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

4 Non - Current Investments (contd.)

rationalisation of revenue share on storage income received / expected to be received, cargo traffic, port tariffs, inflation, discount rates, COVID-19 impact 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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Opening Balance	251.04	236.04
Fair value Gain recognised in Other Comprehensive Income	12.50	15.00
Closing Balance	**263.54**	**251.04**

e) Value of Deemed Investment accounted in subsidiaries and joint ventures in terms of fair valuation under Ind AS 109

₹ In crore

Particulars	March 31, 2021	March 31, 2020
i) Adani Logistics Limited	74.41	67.24
ii) Karnavati Aviation Private Limited	17.95	17.95
iii) MPSEZ Utilities Limited	0.02	0.02
iv) Mundra International Airport Private Limited	0.36	0.36
v) Adani Hospitals Mundra Private Limited	0.41	0.39
vi) Shanti Sagar International Dredging Limited	7.35	7.35
vii) The Dhamra Port Company Limited	68.54	65.76
viii) Abbot Point Operations Pty Limited	12.33	12.34
ix) Adani International Terminals Pte Limited	6.36	6.36
x) Adani Mundra Port Holdings Pte Limited	-	0.02
xi) Adani International Container Terminal Private Limited	11.57	11.57
xii) Adani CMA Mundra Terminal Private Limited	4.48	4.48
xiii) Adani Vizhinjam Port Private Limited	5.00	-
	208.78	**193.84**

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, 2021 ₹20,768.88 crore (previous year ₹15,603.89 crore).

h) During the previous year, Adani Tracks Management Services Private Limited, Adani Pipelines Private Limited and Adani Bangladesh Ports Private Limited have been incorporated as a wholly owned subsidiaries of the Company on July 31, 2019, December 12, 2019 and February 17, 2020 respectively.

i) During the current year, the Company has acquired 75% equity shares of Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) on October 01, 2020.

4 Non - Current Investments (contd.)

j) During the current 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) Interest is payable at the discretion of issuer and conversion ratio is fixed to fixed at the maturity

5 Trade Receivables

(unsecured, unless otherwise stated)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Trade Receivables		
- Considered Good	1,694.76	2,176.11
Less :Allowances for expected credit loss due to increase in credit risk ("ECL")	(62.34)	(43.44)
	1,632.42	2,132.67
Customers' Bill Discounted (refer note (c) below)	539.81	613.05
Other Trade Receivable	1,092.61	1,519.62
Total Receivables	**1,632.42**	**2,132.67**

Refer note 30 for Related Party Balances

Notes:

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

b) Generally, as per credit terms trade receivable are collectable within 30-60 days although the Company provide extended credit period with interest between 7.5% 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 ₹539.81 crore (previous year ₹613.05 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 its balance sheet. The amount repayable under the bills discounting arrangement is presented as unsecured borrowing in note 17.

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

6 Loans

(Unsecured unless otherwise stated)

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Loans to Related Parties				
Considered Good (refer note 4 (b) (ii))	14,531.23	10,094.50	211.57	336.86
Credit impaired (refer note 4 (b) (i))	196.10	196.10	8.92	8.92
Loan to others				
Considered Good (refer note below)	135.00	-	493.14	1,234.14
Credit impaired	-	-	0.05	0.05
	14,862.33	10,290.60	713.68	1,579.97
Less: Allowances for doubtful loans	(196.10)	(196.10)	(8.97)	(8.97)
	14,666.23	**10,094.50**	**704.71**	**1,571.00**

Note:

Loans to others include inter-corporate deposits aggregating ₹628.14 crore (previous year ₹1,234.14 crore) (Including renewals on due dates) to third parties. These deposits are given at prevailing market interest rates. The inter-corporate deposits have been approved by the Finance committee of the Board of Directors and subsequently noted by the Board of Directors of the company.

Repayment of loans given to these parties along with interest thereon have been guaranteed by way of undertaking obtained from one of the promoter owned entity, a related party, in the event of default by the said companies to pay the dues.

7 Other Financial Assets

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Security deposit (refer note 34 (i))				
Considered good	1,120.06	761.16	15.55	113.58
Considered doubtful	-	-	7.27	7.27
	1,120.06	761.16	22.82	120.85
Less: Allowances for Doubtful Deposit	-	-	(7.27)	(7.27)
	1,120.06	761.16	15.55	113.58
Loans and advances to Employees	1.55	1.97	1.48	1.96
Lease Receivable (refer note below)	1,631.93	1,577.07	47.42	40.77
Interest Accrued	67.88	95.16	705.77	1,450.42
Receivable against Sale of Investment	-	-	-	5.26
Non Trade receivable	-	-	0.06	1.74
Derivatives instruments / Forward Contracts Receivable	-	80.60	15.05	39.21
Gratuity Assets (refer note 28)	-	-	-	2.36
	2,821.42	**2,515.96**	**785.33**	**1,655.30**

7 Other Financial Assets (contd.)

Note:

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, 2021		March 31, 2020	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
Within one year	160.13	130.61	148.74	124.23
After one year but not later than five years	671.24	470.07	623.23	441.28
More than five years	3,154.71	1,078.67	3,221.64	1,052.33
Total minimum lease receivables	3,986.08	1,679.35	3,993.61	1,617.84
Less: Amounts representing finance charges	(2,306.73)	-	(2,375.77)	-
Present value of minimum lease receivables	1,679.35	1,679.35	1,617.84	1,617.84

8 Other Assets

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Capital advances (refer note (a) and (d) below)	306.34	261.47	-	-
Balance with Government Authorities	4.50	4.50	76.24	88.11
Prepaid Expenses	9.64	11.36	49.99	16.17
Accrued Income	-	-	52.38	53.77
Contract Assets (refer note (b) below)	-	-	26.88	51.13
Advances recoverable other than in cash				
To related party	111.35	237.10	120.11	119.86
To others	-	-	35.52	38.90
Export benefit and other receivables (refer note (c) below)	120.60	120.56	-	148.25
Taxes recoverable (net of provision) (refer note 26)	364.57	332.45	-	-
	917.00	**967.44**	**361.12**	**516.19**

Notes:

(a) Capital advance includes ₹98.48 crore (previous year ₹100.78 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) As per Government notification no. 57/2015-2020 dated March 31, 2020 the Company is entitled to Service Exports from India Scheme (SEIS) benefits on Port Services till year ended March 31, 2020. Accordingly, the SEIS benefits of ₹120.60 crore for the Port Services provided during the financial year ended March 31, 2020 has been accounted by the Company on provisional basis pending notification in respect of the eligible service categories under the scheme and the rates of rewards on such services by Government Authorities as at reporting date. The company based on the advise of legal counsel is confident of realisability of the same.

(d) Capital advance is net of allowance for doubtful advance of ₹10.59 crore (previous year ₹10.59 crore).

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

9 Inventories

(At lower of cost and Net realisable value)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Stores and Spares, Fuel and Lubricants	74.22	86.92
	74.22	**86.92**

10 Current Investments

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Unquoted mutual funds (valued at fair value through profit and loss)		
Nil (previous year 2,50,000 units) of ₹10 each in HDFC Mutual Fund	-	0.25
Nil (previous year 48,465 units) of ₹2,402 each in IDFC Cash Fund	-	11.64
Investment in Pass Through Certificates (Valued at Amortised Cost)		
1,00,000 units (previous year Nil) of Pass Through Certificates	926.02	-
	926.02	**11.89**
Aggregate carrying value of unquoted Mutual Funds	-	11.89
Aggregate net assets value of unquoted Mutual Funds	-	11.89
Aggregate carrying value of unquoted investment in Pass Through Certificates	926.02	-

11 Cash and Bank Balances

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Cash and Cash Equivalents				
Balances with banks:				
Balance in current accounts	-	-	2,806.07	4,408.23
Deposits with original maturity of less than three months	-	-	504.49	-
Cash on hand	-	-	0.18	0.16
	-	**-**	**3,310.74**	**4,408.39**
Other Bank Balances				
Deposits with maturity over 3 months but less than 12 months	-	-	150.00	-
In Current Accounts (earmarked for Unpaid Dividend)	-	-	1.50	1.73
Margin Money Deposits (refer note below)	81.11	0.20	1.90	34.05
	81.11	**0.20**	**153.40**	**35.78**
Amount disclosed under Non- Current Financial Assets in Balance Sheet	(81.11)	(0.20)	-	-
	-	**-**	**3,464.14**	**4,444.17**

Note: Margin Money Deposits (net of overdraft facilities of ₹1,869.09 crore (Previous year ₹ Nil)) aggregating to ₹83.01 crore (previous year ₹34.25 crore) are pledged / lien against bank guarantees, letter of credit and other credit facilities.

12 Equity Share Capital

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Equity share capital		
Authorized share capital		
4,97,50,00,000 (previous year 4,97,50,00,000) Equity Shares of ₹2 each	995.00	995.00
	995.00	**995.00**
Issued, subscribed and fully paid-up share capital		
2,03,17,51,761 (previous year 2,03,17,51,761) fully paid up Equity Shares of ₹2 each	406.35	406.35
	406.35	**406.35**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	March 31, 2021		March 31, 2020	
	No	₹ In crore	No	₹ In crore
At the beginning of the year	2,03,17,51,761	406.35	2,07,09,51,761	414.19
(Less): Shares bought back (refer note (ii)below)	-	-	(3,92,00,000)	(7.84)
Outstanding at the end of the year	2,03,17,51,761	406.35	2,03,17,51,761	406.35

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) During the previous year, the Company has bought-back 3,92,00,000 Equity Shares at a price of ₹500 per equity share from eligible shareholders of the Company on a proportionate basis through Tender Offer route in accordance with the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder.

b) Equity Component of Non-Cumulative Redeemable Preference shares

Particulars	March 31, 2021		March 31, 2020	
	No	₹ In crore	No	₹ In crore
At the beginning of the year	25,01,824	166.53	28,11,037	165.88
Less: Pre-mature redemption of Preference shares (refer note iii below)	-	-	(3,09,213)	(14.17)
Add: Impact due to remeasurement of Deferred Tax (refer note ii below)	-	-	-	14.82
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

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

12 Equity Share Capital (contd.)

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.

ii) During the previous year, pursuant to the Taxation Law (Amendment) Act, 2019 passed by Government of India, the Company had re-measured the outstanding deferred tax liability that is expected to be reversed in future. Accordingly, an amount ₹14.82 crore had been adjusted in Other Equity.

iii) During the previous year, company has redeemed 3,09,213 Non-Cumulative Redeemable Preference Shares of ₹10 each issued at premium of ₹990 per share prior to its maturity at net present value discounted @ 8%.

c) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2021		March 31, 2020	
	No	% holding in the class	No	% holding in the class
Equity shares of ₹2 each fully paid				
i) Gautambhai Shantilal Adani and Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	79,93,53,935	39.34%	79,93,53,935	39.34%
ii) Adani Tradeline LLP	13,81,93,549	6.80%	13,81,93,549	6.80%
iii) Flourishing Trade and Investment Limited	10,38,47,944	5.11%	-	-
Non-Cumulative Redeemable Preference Shares of ₹10 each fully paid up				
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%
	25,01,824	**100.00%**	**25,01,824**	**100.00%**

13 Other Equity

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Equity Component of Non-Cumulative Redeemable Preference shares		
Opening Balance	166.53	165.88
Add: Impact due to remeasurement of Deferred Tax (refer note 12 (b) (ii))	-	14.82
Less: Pre-mature redemption of Preference Share	-	(14.17)
Closing Balance	**166.53**	**166.53**

Securities Premium

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Opening Balance	583.54	2,535.70
Less: Premium paid on buyback of equity shares (refer note 12(a) (ii))	-	(1,952.16)
Closing Balance	**583.54**	**583.54**

13 Other Equity (contd.)

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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
General Reserve		
Opening Balance	2,719.80	2,575.87
Add: Transfer from Debenture Redemption Reserve	46.17	162.49
Less: Transaction costs for buyback	-	(10.72)
Less: Transfer to Capital Redemption Reserve upon buyback	-	(7.84)
Closing Balance	**2,765.97**	**2,719.80**

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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Debenture Redemption Reserve (DRR)		
Opening Balance	477.20	514.04
Add: Transferred from retained earnings	125.66	125.65
Less: Transferred to General Reserve	(46.17)	(162.49)
Closing Balance	**556.69**	**477.20**

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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Capital Redemption Reserve (CRR)		
Opening Balance	7.84	-
Add: Transferred from General Reserve on account of buyback of shares	-	7.84
	7.84	**7.84**

Note:- As per Companies Act, 2013, Capital redemption reserve is created when company purchases its own shared 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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Foreign Currency Monetary Item Translation Difference Account		
Opening Balance	-	(71.07)
Add : foreign exchange (Loss) during the year	-	(16.79)
Less : amortised in statement of profit and loss	-	87.86
Closing Balance	**-**	**-**

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

13 Other Equity (contd.)

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Retained Earnings		
Opening Balance	15,328.41	14,193.80
Add : Profit for the year	1,927.93	1,934.25
Less : Dividend on Shares	-	(691.58)
Less :Transfer to Debenture Redemption Reserve	(125.66)	(125.65)
Add: Gain on pre-mature redemption of Preference Share	-	18.52
Less : Re-measurement (losses) on defined benefit plans (net of tax)	(2.38)	(0.93)
Closing Balance	**17,128.30**	**15,328.41**

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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Other Comprehensive Income		
Opening Balance	175.50	163.26
Add : Change in fair value of FVTOCI Equity Investments (net of tax)	10.56	12.24
Closing Balance	**186.06**	**175.50**

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

Total Other Equity	**21,394.93**	**19,458.82**

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Distribution made and proposed		
Cash Dividend on Equity Share declared and paid		
Final Dividend for the year ended March 31, 2020 and March 31, 2019 (₹ Nil and ₹0.20 per share)	-	41.42
Interim Dividend for the year ended March 31, 2021 and March 31, 2020 (₹ Nil and ₹3.20 per share)	-	650.16
Dividend Distribution Tax*	-	-
	-	**691.58**

* During the previous year, the company declared a final dividend of ₹0.20 per share amounting to ₹41.42 crore and Interim dividend of ₹3.20 per share amounting to ₹650.16 crore. During the previous year, the Company has also received dividend of ₹694.84 crore from two of its Subsidiary Companies. Hence the liability of payment of Dividend Distribution Tax (DDT) did not arise on the Company as the Company had entitlement of credit of Dividend Distribution Tax paid by its subsidiaries.

13 Other Equity (contd.)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Proposed Dividend on Equity Shares		
Final Dividend for the year ended March 31, 2021 ₹5 per share (Previous year ₹ Nil) on 2,041,751,761 equity shares (refer note 45 (iii) & (iv))	1,020.88	-
Cash Dividend on Preference Share declared and paid		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*-	*-
Dividend Distribution Tax	-	*-
Proposed Dividend on Preference Shares		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*-	*-
Dividend Distribution Tax	-	*-

*- Figure nullified in conversion of ₹ in crore

Proposed dividend on equity shares are subject to approval at Annual General Meeting and are not recognised as a liability

14 Non-Current Borrowings

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Debentures				
15,000 (previous year Nil) 8.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured. (Redeemable on April 12, 2030 (refer note (g) below)	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)	251.46	251.39	-	-
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)	1,587.59	1,585.88	-	-
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	-	-
9,000 (previous year Nil) 6.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured. (Redeemable on September 11, 2023 (refer note (a) below)	893.48	-	-	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

14 Non-Current Borrowings (contd.)

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
6,000 (previous year Nil) 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)	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)	198.78	198.49	-	-
200 (previous year 400) 10.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable in 2 quarterly equal instalments on June 27, 2021, and September 27, 2021) (refer note (b) below)	-	19.82	19.94	19.83
2,800 (previous year 2,800) 7.5% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured. (Redeemable ₹70 crore on April 23, 2021 and ₹210 crore on June 15, 2021) (refer note (f) below)	-	280.00	280.00	-
3,293 (previous year 4,940) 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	329.33	164.67	164.67
Preference Shares Liability Component of Compound Financial Instrument - 0.01% Non Cumulative Redeemable Preference shares (unsecured) (refer note 12 (b))	105.83	97.09	-	-
Term loans				
Foreign currency loans:				
From banks (secured) (refer note (h) and (i))	18.94	72.59	56.27	54.57
From banks (unsecured) (refer note (l) (vii))	-	-	-	1,204.82
4.375% Foreign Currency Bond priced at 238 basis points over the 10 years US Treasury Note (unsecured) (refer note (l) (iii))	5,433.56	5,620.14	-	-
4.00 % Foreign Currency Bond priced at 195 basis points over the 10 years US Treasury Note (unsecured) (refer note (l) (ii))	3,617.74	3,740.27	-	-
3.375% Foreign Currency Bond priced at 150 basis points over the 5 years US Treasury Note (unsecured) (refer note (l) (iv))	4,725.26	4,883.40	-	-
3.95% Foreign Currency Bond priced at 189 basis points over the 5 years US Treasury Note (unsecured) (refer note (l) (i))	-	3,771.82	-	-
4.20% Foreign Currency Bond priced at 376 basis points over the 7 years US Treasury Note (unsecured) (refer note (l) (v))	5,447.13	-	-	-

14 Non-Current Borrowings (contd.)

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
3.10% Foreign Currency Bond priced at 205.50 basis points over the 10 years US Treasury Note (unsecured) (refer note (l) (vi))	3,618.50	-	-	-
Rupee Loan				
Term Loan from Financial institutions (unsecured) (refer note (l) (viii))	-	1.20	1.20	2.44
Inter Company deposit from a subsidiary (refer note (l) (ix))	93.77	-	-	-
Rupee Term loan from Bank (Secured) (refer note (j) and (k))	410.80	1,486.33	61.75	-
	30,950.12	**24,637.75**	**583.83**	**1,446.33**
The above amount includes				
Secured borrowings	7,908.33	6,523.83	582.63	239.07
Unsecured borrowings	23,041.79	18,113.92	1.20	1,207.26
Amount disclosed under the head Other Current Financial Liabilities (refer note 15)	-	-	(583.83)	(1,446.33)
	30,950.12	**24,637.75**	**-**	**-**

Notes:

a) Debentures include Secured Non-Convertible Redeemable Debentures amounting to ₹1,421.59 crore (previous year ₹692.49 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 ₹19.94 crore (previous year ₹39.65 crore) which are 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.

c) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,251.46 crore (previous year ₹1,251.39 crore) which are secured by first pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Wandh.

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' arrangements as per Debenture Trust Deed.

e) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,587.59 crore (previous year ₹1,585.88 crore) are secured by first pari-passu charge on specified assets of one of the subsidiary companies' arrangements as per Debenture Trust Deed.

f) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹876.67 crore (previous year ₹280.00 crore) are secured by first pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Mundra.

g) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,485.95 crore (previous year Nil) are secured by first pari-passu charge on fixed assets of MPT, T2 and CT2 Project located at Mundra..

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

14 Non-Current Borrowings (contd.)

h) Foreign currency loans aggregating to ₹56.83 crore (previous year ₹91.42 crore) carries interest @ 6 months Euribor plus 95 basis point. The above loan is repayable in 3 Semi-annually equal instalment from the balance sheet date. The loan is secured by exclusive charge on the Dredgers procured under the facility.

i) Foreign currency loans aggregating to ₹18.38 crore (previous year ₹35.74 crore) carries interest @ 6 months Euribor plus 75 basis point. The loan is repayable in 2 semi annually equal instalments from the balance sheet date. The loan is secured by exclusive charge on the Cranes purchased under the facility.

j) Rupee term loan amounting to ₹ Nil (previous year ₹1,486.33 crore) carries interest @ 1 month Treasury Bill Rate plus spread of 2.58% which has been prepaid during the current year.

k) Rupee term loan amounting to ₹472.55 crore (previous year Nil) carrying interest @ Repo Rate plus spread of 2.75%. 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.

l) Unsecured Loan

(i) 5 years Foreign Currency Bond of USD 500 million equivalent to ₹ Nil (previous year ₹3,771.82 crore) carries interest rate at 3.95% p.a. and same has been Prepaid during the current year.

(ii) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹3,617.74 crore (previous year ₹3,740.27 crore) carries interest rate at 4.00% p.a. with bullet repayment in the year 2027.

(iii) 10 years Foreign Currency Bond of USD 750 million equivalent to ₹5,433.56 crore (previous year ₹5,620.14 crore) carries interest rate at 4.375% p.a. with bullet repayment in the year 2029.

(iv) 5 years Foreign Currency Bond of USD 650 million equivalent to ₹4,725.26 crore (previous year ₹4,883.40 crore) carries interest rate at 3.375% p.a. with bullet repayment in the year 2024.

(v) 7 years Foreign Currency Bond of USD 750 million equivalent to ₹5,447.13 crore (previous year ₹ Nil) carries interest rate at 4.20% p.a. with bullet repayment in the year 2027.

(vi) 10 years Foreign Currency Bond of USD 650 million equivalent to ₹3,618.50 crore (previous year ₹ Nil) carries interest rate at 3.10% p.a. with bullet repayment in the year 2031.

(vii) Foreign Currency Loan aggregating to ₹ Nil (previous year ₹1,204.82 crore) carries interest at 3 months Libor plus 1.25% and same has been repaid during the current year.

(viii) Rupee Term Loan aggregating to ₹1.20 crore (previous year ₹3.64 crore) carries interest ranging from 4.56 % p.a. to 7.95 % p.a. repayment beginning from May 2018 and having last repayment date on November 2021.

(ix) Inter Company deposit from a subsidiary aggregating to ₹93.77 crore (previous year ₹Nil) carries interest rate at 7.50% repayable in March 2025.

15 Other financial liabilities

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Current maturities of long term borrowings (refer note 14)	-	-	583.83	1,446.33
Capital creditors and retention money	0.51	3.51	107.87	368.02
Other payables (including discounts etc)	-	-	195.37	168.41
Lease liabilities (refer note (a) and (b) below)	140.42	121.54	3.95	2.94
Unpaid Dividends #	-	-	1.50	1.03
Interim Dividend Payable	-	-	-	0.70
Interest accrued but not due on borrowings	-	-	585.61	319.90
Deposit from Customers	1.47	1.49	26.57	23.93
Financial Guarantees Obligation	18.26	9.86	5.48	2.74
	160.66	**136.40**	**1,510.18**	**2,334.00**

Not due for credit to "Investors Education & Protection Fund"

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
March 31, 2021						
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
March 31, 2020						
Minimum Lease Payments	10.32	52.23	156.01	218.56	(94.08)	124.48
Finance charge allocated to future periods	7.38	36.52	50.18	94.08	-	-
Present Value of MLP	2.94	15.71	105.83	124.48	-	124.48

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

15 Other financial liabilities (contd.)

c) **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 (including Current Maturities) and Interest accrued but not due	Lease Liabilities	Unpaid Dividend on Equity (including Interim dividend) and Preference Shares	Derivative Contract	Buyback of equity shares and expense upon buyback	Pre-mature redemption of Preference Shares	Total
April 1, 2019	**25,268.13**	**-**	**1.08**	**27.33**	**-**	**-**	**25,296.54**
Adjustment due to adoption of Ind As 116 - Leases	-	125.68	-	-	-	-	125.68
Cash Flows	114.98	(1.20)	(690.93)	(20.47)	(1,970.72)	(12.40)	(2,580.74)
Foreign Exchange Movement	1,714.09	-	-	-	-	-	1,714.09
Change in Fair Value	(11.90)	-	-	-	-	-	(11.90)
Charged to P&L during the period	1,878.55	-	-	(126.67)	-	-	1,751.88
Charged to other equity	-	-	-	-	1,970.72	12.40	1,983.12
Dividend recognised during the period	-	-	691.58	-	-	-	691.58
Customer Bills discounted during the period	255.30	-	-	-	-	-	255.30
March 31, 2020	**29,219.15**	**124.48**	**1.73**	**(119.81)**	**-**	**-**	**29,225.55**
Cash Flows	3,850.12	(1.80)	(0.23)	(20.94)	-	-	3,827.15
Foreign Exchange Movement	(786.09)	-	-	-	-	-	(786.09)
Change in Fair Value	(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
Customer Bills discounted during the period	(73.24)	-	-	-	-	-	(73.24)
March 31, 2021	**34,392.77**	**144.37**	**1.50**	**(15.05)**	**-**	**-**	**34,523.59**

16 Other Liabilities

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Advance from customers (refer note 38)	-	-	716.01	731.91
Deposits from customers	-	-	12.40	11.34
Statutory liability	-	-	64.45	43.58
Unearned Income under land lease/ Infrastructure usage agreements	561.42	623.66	62.24	62.24
Deferred Income on fair valuation of Deposit taken	1.05	1.15	-	-
Deferred Government Grant (refer note (i) below)	0.61	0.71	-	-
Unearned revenue - others	-	-	66.00	65.91
Contract Liabilities (refer note (ii) below)	-	-	143.07	221.51
	563.08	**625.52**	**1,064.17**	**1,136.49**

Notes:

i) Movement in Deferred Government Grant

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Opening Balance	0.71	0.80
Amortisation during the year	(0.10)	(0.09)
Closing Balance	**0.61**	**0.71**

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.

17 Current Borrowings

₹ In crore

	March 31, 2021	March 31, 2020
Short term borrowings from banks (unsecured) (refer note (e) and (f))	-	800.00
Packing Credit Rupee Loan from bank (unsecured) (refer note (c) and (d))	400.00	400.00
Commercial paper (unsecured) (refer note (a))	-	294.12
Inter Company deposit from a subsidiary (unsecured) (refer note (b) below and 30)	1,333.40	708.00
	1,733.40	2,202.12
Customers' Bill Discounted (unsecured) (refer note 5(c))	539.81	613.05
	2,273.21	2,815.17

Notes:

a) Commercial Paper (CP) aggregating ₹ Nil (previous year ₹ 294.12 crore) carried interest rate in range of 6.64 % to 8.50 % p.a. The CP had maturity period of 1 to 6 months. Same has been repaid during the year.

b) Short term borrowing from subsidiary ₹1,333,40 crore (previous year ₹708 crore) carries interest rate @ 7.50 % is repayable on demand.

c) Packing Credit rupee Loan aggregating to ₹ Nil (previous year ₹400 crore) carried interest rate 6.25 % monthly payable same has been repaid during current year.

d) Packing Credit rupee Loan aggregating to ₹400 crore (previous year ₹ Nil) linked to 14 day Treasury Bill and repayable in April 2021.

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

17 Current Borrowings (contd.)

e) Short term loan borrowing (STL) amounting to ₹ Nil (previous year ₹400 crore) carried interest rate @ 9% monthly payable and same has been repaid during the current year.

f) Short term loan borrowing (STL) amounting to ₹ Nil (previous year ₹400 crore) carried interest rate @ 7.25% monthly payable linked to repo rate and same has been repaid during the current year.

g) Factored receivables of ₹539.81 crore (previous year ₹613.05 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.

18 Trade and other payables

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Total outstanding dues of micro enterprises and small enterprises (refer note 33)	1.94	0.58
Total outstanding dues of creditors other than micro enterprises and small enterprises	214.75	217.07
	216.69	**217.65**
Dues to related parties included in above		
Trade payables	**66.79**	**57.94**

19 Provisions

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Provision for Employee Benefits				
Provision for Gratuity (refer note 28)	2.40	-	-	-
Provision for Compensated Absences	-	-	16.54	15.06
	2.40	**-**	**16.54**	**15.06**
Other Provision				
Provision for operational claims (refer note below)	-	-	-	29.43
	-	**-**	**-**	**29.43**
	2.40	**-**	**16.54**	**44.49**

Note:

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Opening Balance	29.43	29.43
Less : Utilised / (Settled) during the year	(10.53)	-
Less : Reversed during the year	(18.90)	-
Closing Balance	**-**	**29.43**

Note: Operational Claims are the expected claims against outstanding receivables made/to be made by the customers towards shortages of stock, handling losses, damages to the cargo, storage and other disputes. The probability and the timing of the outflow/adjustment with regard to above depends on the ultimate settlement / conclusion with the respective customer.

20 Revenue from Operations

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Revenue from Contract with Customers (refer note (a) below)		
Income from Port Operations (Including Port Infrastructure Services)	4,172.29	4,312.74
	4,172.29	**4,312.74**
Lease, Upfront Premium and Deferred Infrastructure Income (refer note (b) and (c) below)	132.15	135.84
Income from Export Incentives (Service Export from India Scheme)	7.90	163.84
Other Operating Income	64.81	30.86
	4,377.15	**4,643.28**

Notes:

a) Reconciliation of revenue recognised with contract price:

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Contract Price	4,411.34	4,532.70
Adjustment for:		
Refund Liabilities	(217.49)	(211.73)
Change in value of Contract Assets	(24.24)	1.08
Change in value of Contract Liabilities	2.68	(9.31)
Revenue from Contract with Customers	**4,172.29**	**4,312.74**

b) The Company has given various assets on finance lease to various parties. These leases have terms end between 11 and 31 years. The lease agreements entered are non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. All land leases include a clause to enable upward revision of the rental charge every three to five years upto 20%. The company has also received one-time income of upfront premium ranging from ₹2300 to ₹5500 per Sq. mtr for use of common infrastructure by the parties. Such one-time income of upfront premium is non-refundable. Income of ₹ 15.46 crore (previous year ₹42.87 crore) including upfront premium of ₹9.32 crore (previous year ₹21.80 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. These lease arrangements range for a period between 5 and 60 years. 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, 2021	March 31, 2020
i) Not later than one year	19.34	18.98
ii) Later than one year and not later than five years	84.07	81.15
iii) Later than five years	369.66	391.68

Company has recognised income from operating leases of ₹20.27 crore (previous year ₹19.58 crore)

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

21 Other Income

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Interest Income on		
Bank Deposits, Inter Corporate Deposits, Security Deposit etc.	2,028.24	2,001.33
Customers dues	30.13	33.80
Finance Lease	135.68	39.90
Dividend income on non current Investments	7.01	702.84
Unclaimed liabilities / excess provision written back	0.29	0.11
Scrap sale	12.37	3.62
Net gain on Sale of Current Investments	4.62	27.11
Profit on sale / discard of Property, Plant and Equipment (net)	0.09	8.36
Financial Guarantee Income	3.80	2.71
Amortisation of Government Grant (refer note 16 (i))	0.10	0.09
Miscellaneous Income	43.98	83.10
	2,266.31	**2,902.97**

22 Operating Expenses

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Cargo handling / other charges to Contractors (net of reimbursements)	342.75	359.42
Customer Claims (including Expected Credit Loss) (refer note below)	-	9.71
Railway Service Charges	115.40	162.45
Tug and Pilotage Charges	6.21	5.57
Maintenance Dredging	20.88	35.88
Other expenses including Customs Establishment Charges	0.89	1.99
Repairs to Plant & Equipment	58.21	89.00
Stores & Spares consumed	94.56	67.25
Repairs to Buildings	8.84	6.30
Power & Fuel	85.48	94.16
Waterfront Charges	186.14	220.61
Cost of assets transferred under Finance Lease	0.11	15.10
	919.47	**1,067.44**

Note : Expected credit loss of ₹18.90 crore has been netted of with reversal of operational claim of ₹18.90 crore.

23 Employee Benefits Expense

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Salaries, Wages and Bonus	208.98	197.14
Contribution to Provident and Other Funds	9.68	9.88
Gratuity Expenses (refer note 28)	3.20	2.84
Staff Welfare Expenses	13.15	14.75
	235.01	**224.61**

24 Finance Costs

₹ In crore

Particulars	March 31, 2021	March 31, 2020
a) **Interest and Bank Charges**		
Interest on		
Debentures and Bonds	1,684.60	1,167.90
Loans, Buyer's Credit etc.	438.80	675.75
Lease Liabilities	10.51	9.53
Bank and other Finance Charges	67.24	25.37
	2,201.15	1,878.55
b) Derivative Loss / (Gain) (net)	125.70	(126.67)
	2,326.85	**1,751.88**

25 Other Expenses

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Rent Expenses	4.77	4.29
Rates and Taxes	3.27	2.64
Insurance	10.44	7.85
Advertisement and Publicity	4.24	3.10
Other Repairs and Maintenance	17.02	17.96
Legal and Professional Expenses	72.60	61.29
Corporate Support Service Fee	59.43	53.14
IT Support Services	7.55	11.97
Payment to Auditors (refer note (a) below)	1.29	1.39
Security Service Charges	21.35	17.75
Communication Expenses	24.64	17.78
Electric Power Expenses	3.00	3.85
Travelling and Conveyance	48.10	44.28
Directors Sitting Fee	0.38	0.38
Commission to Non-executive Directors	0.94	0.63
Charity & Donations (refer note (b) below)	60.31	75.61
Miscellaneous Expenses	12.46	11.68
	351.79	**335.59**

Notes:

a) Payment to Auditors

₹ In crore

Particulars	March 31, 2021	March 31, 2020
As auditor:		
Audit fee	0.59	0.76
Limited review	0.52	0.35
In other capacity:		
Certification fees	0.10	0.08
Other services*	1.80	1.20
Reimbursement of expenses	0.03	-
	3.04	**2.39**

* Note- Professional fee of ₹1.75 crore (previous year ₹1.00 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.

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

25 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. 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 Spent during the year ₹56.10 crore (previous year ₹69.27 crore)

(ii) Excess amount to be set off against succeeding three financial years ₹16 crore (previous year ₹ Nil)

(iii) Amount spent during the year ended:

₹ In crore

Particulars	In cash	Yet to be paid in cash	Total
March 31, 2021			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	72.99	-	72.99
Total	**72.99**	**-**	**72.99**
March 31, 2020			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	69.50	-	69.50
Total	**69.50**	**-**	**69.50**

26 Income Tax

The major component of income tax expenses for the year ended March 31, 2021 and March 31, 2020 are as under

a) Tax Expense reported in the Statement of Profit and Loss

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Current Income tax		
Current tax charges	948.74	367.25
Deferred Tax		
Relating to origination and reversal of temporary differences	32.97	(269.77)
Tax Expense reported in the Statement of Profit and Loss	981.71	97.48

Tax on Other Comprehensive Income ('OCI')

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Deferred tax related to items recognised in OCI during the year		
Tax impact on re-measurement loss on defined benefit plans	(1.27)	(0.50)
Tax impact on unrealised gain on FVTOCI Equity Investment	1.94	2.76
	0.67	**2.26**

26 Income Tax (contd.)

b) Balance Sheet Section

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Taxes Recoverable (net) (refer note 8)	364.57	332.45
	364.57	**332.45**

c) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Profit Before Tax	2,909.64	2,031.73
Tax Rate	34.94%	34.94%
At India's Statutory Income Tax rate	1,016.74	709.97
Tax Effect of:		
Effect of change in Tax rates (refer footnote to 26 (d))	-	(318.60)
Effect due to lower Tax rate	(27.17)	(25.41)
Expenses not allowable under Tax laws	27.16	29.11
Deduction under chapter VI-A	(23.51)	(16.49)
Exempt income	-	(245.60)
Adjustment in respect of previous years	0.69	(31.68)
Other Adjustments	(12.20)	(3.82)
Income tax reported in Statement of Profit and Loss	**981.71**	**97.48**
Effective tax rate	**33.74%**	**4.79%**

d) Deferred Tax Liability (net)

₹ In crore

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Deferred Tax (liabilities) / assets in relation to:				
(Liability) on Accelerated depreciation for tax purpose	(823.60)	(804.02)	(19.58)	272.39
Asset on unrealised exchange variation	36.72	47.39	(10.67)	(22.75)
Assets on Provision for Gratuity and Leave encashment	7.33	3.88	3.45	0.34
Assets on Bond issue expenses amortization	-	-	-	(5.53)
(Liability) on Preference Share debt component	(36.68)	(39.73)	3.05	*3.11
(Liability) on Deemed Investment	(48.65)	(45.16)	(3.49)	19.02
Asset on fair valuation of Inter Corporate Deposit / Corporate / Bank Guarantee	11.51	4.70	6.81	1.19
(Liability) on Equity Investment FVTOCI	(36.67)	(34.72)	(1.95)	(2.76)
(Liability) on CSR expense carried forward	(5.59)	-	(5.59)	-
Asset on provision for doubtful debt and loans	69.40	63.97	5.43	(15.79)
(Liability) on Lease Receivables	(67.38)	(58.77)	(8.61)	-

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

26 Income Tax (contd.)

₹ In crore

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
(Liability) on Mark to Market on Forward Sales	-	-	-	19.59
Assets on other adjustments	2.39	4.88	(2.49)	(1.30)
	(891.22)	**(857.58)**	**(33.64)**	**267.51**

* Reversal of Deferred Tax liability on deemed equity of preference share of ₹14.82 crore on account of change in tax rates as per note below and ₹5 crore on account of premature redemption of preference shares is adjusted to other equity.

Note:

During the previous year, pursuant to the Taxation Law (Amendment) Act, 2019 passed by Government of India, the Company re-measured the outstanding deferred tax liability that is expected to be reversed in future at 22% plus applicable surcharge and cess ("New tax rate") subject to certain conditions. The Company has made an assessment of the impact of the Ordinance and decided to continue with existing tax structure until utilisation of accumulated Minimum Alternate Tax (MAT) credit.

Further, Ind-AS 12 requires deferred tax assets and liabilities to be measured using the enacted (or substantively enacted) tax rates expected to apply to taxable income in the years in which the temporary differences are expected to reverse. The Company has made estimates, based on its budget, regarding income anticipated in foreseeable future year when those temporary differences are expected to reverse and measured the same at New tax rate. Accordingly, the Company has re-measured the outstanding deferred tax balances that is expected to be reversed in future at New tax rate and an amount of ₹318.60 crore and ₹14.82 crore had been written back in the Statement of Profit and Loss and Other Equity respectively during the previous financial year.

e) Deferred Tax Assets reflected in the Balance Sheet as follows

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Tax Credit Entitlement under MAT	1,374.45	1,811.97
Less :Deferred tax liabilities (net)	(891.22)	(857.58)
	483.23	**954.39**

f) Reconciliation of Deferred tax liabilities (net)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Tax expenses during the period recognised in Statement of Profit and Loss	32.97	(269.77)
Tax expenses during the period recognised in OCI	0.67	2.26
	33.64	**(267.51)**

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

(₹ in crore)

Financial Year	Amount	Expiry Date
2014-15	359.27	2029-30
2015-16	608.26	2030-31
2016-17	406.92	2031-32
Total	**1,374.45**	

27 Earnings Per Share (EPS)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Profit after tax	1,927.93	1,934.25
Less: Dividends on Non-Cumulative Redeemable Preference Shares & tax thereon#	*-	*-
	1,927.93	**1,934.25**

* Figures being nullified on conversion to ₹ in crore.

Tax on Dividend not applicable for current year

Particulars	No.	No.
Weighted average number of equity shares in calculating basic and diluted EPS	2,03,17,51,761	2,05,12,44,657
Basic and Diluted Earnings per Share (in ₹)	9.49	9.43

28 Disclosures as required by Ind AS - 19 Employee Benefits

a) The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹9.25 crore (previous year ₹9.47 crore) as expenses under the following defined contribution plan.

₹ In crore

Contribution to	March 31, 2021	March 31, 2020
Provident Fund	9.19	9.38
Superannuation Fund	0.06	0.09
Total	**9.25**	**9.47**

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

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

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

c) **Gratuity**

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Present value of the defined benefit obligation at the beginning of the year	27.46	23.24
Current service cost	3.40	3.09
Interest cost	1.79	1.68
Re-measurement (or Actuarial) (gain) / loss arising from and including in OCI:		
- change in demographic assumptions	(0.58)	0.22
- change in financial assumptions	-	1.73
- experience variance	2.51	(0.52)

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

28 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Benefits paid	(1.77)	(0.72)
Liability Transfer In	0.33	0.49
Liability Transfer Out	(1.01)	(1.75)
Present value of the defined benefit obligation at the end of the year	32.13	27.46

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Fair value of plan assets at the beginning of the year	29.82	25.12
Investment income	2.00	1.91
Contributions by employer	-	2.79
Benefits paid	(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	29.73	29.82

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Present value of the defined benefit obligation at the end of the year	32.13	27.46
Fair value of plan assets at the end of the year	29.73	29.82
Amount recognised assets / (liability) (refer note 19 and 7)	(2.40)	2.36
Net asset / (liability) - Current	-	2.36
Net (liability) / asset - Non Current	(2.40)	-

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Current service cost	3.40	3.09
Net Interest on benefit obligation	(0.20)	(0.25)
Total Expense included in Employee Benefits Expense (refer note 23)	3.20	2.84

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Actuarial (gain)/losses arising from		
- change in demographic assumptions	(0.58)	0.22
- change in financial assumptions	-	1.73
- experience variance	2.51	(0.52)
Return on plan assets, excluding amount recognised in net interest expense	1.72	-
Recognised in the other comprehensive income	3.65	1.43

28 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, 2021	March 31, 2020
Discount rate	6.70%	6.70%
Rate of escalation in salary (per annum)	8.00%	8.00%
Mortality	India Assured Lives Mortality (2012-14)	India Assured Lives Mortality (2012-14)
Attrition rate	9.50%	6.71%

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, 2021	March 31, 2020
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

(₹ In crore)

Particulars	March 31, 2021		March 31, 2020	
Assumptions	Discount rate		Discount rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	(2.03)	2.28	(2.05)	2.36

(₹ In crore)

Particulars	March 31, 2021		March 31, 2020	
Assumptions	Salary Growth rate		Salary Growth rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	2.23	(2.02)	2.30	(2.05)

(₹ In crore)

Particulars	March 31, 2021		March 31, 2020	
Assumptions	Attrition rate		Attrition rate	
Sensitivity level	50 % Increase	50 % Decrease	50% Increase	50 % Decrease
Impact on defined benefit obligations	(0.73)	1.10	(0.62)	0.86

(₹ In crore)

Particulars	March 31, 2021		March 31, 2020	
Assumptions	Mortality rate		Mortality rate	
Sensitivity level	10 % Increase	10% Decrease	10 % Increase	10 % Decrease
Impact on defined benefit obligations	*-	*-	*-	*-

* Figures being nullified on conversion to ₹ in crore.

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

28 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

(ix) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2021	March 31, 2020
Weighted average duration (based on discounted cash flows)	7 years	8 years

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Within the next 12 months (next annual reporting period)	6.26	2.76
Between 2 and 5 years	12.32	10.92
Between 5 and 10 years	13.20	10.63
Beyond 10 years	23.26	28.61
Total Expected Payments	55.04	52.92

The Company expect to contribute ₹5.55 crore to the gratuity fund in the financial year 2021-22 (previous year ₹3.91 crore).

(xi) Asset - Liability Matching Strategies

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

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

29 Segment Information

The Company is primarily engaged in one business segment, namely developing, operating and maintaining the Ports services, Ports related Infrastructure development activities 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.

30 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
	Mundra International Airport Private Limited
	The Dhamra Port Company Limited
	Adani Vizhinjam Port Private Limited
	Mundra International Gateway Terminal Private Limited
	Madurai Infrastructure Private Limited (formerly known as Mundra LPG Infrastructure Private Limited)
	Adani Kattupalli Port Limited
	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 [incorporated on July 31, 2019]
	Adani Pipelines Private Limited [incorporated on December 12, 2019]
	Adani Bangladesh Port Private Limited [incorporated on February 17, 2020]
	Adani Mundra Port Holding Pte. Limited,Singapore [incorporated on October 30, 2018]
	Aqua Desilting Private Limited [incorporated on February 19, 2021]
	Dighi Port Limited [acquired on February 15, 2021)
Other Subsidiary Companies	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
	Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) [acquired on October 01, 2020]
Step down Subsidiary	Hazira Infrastructure Limited
	Dholera Port and Special Economic Zone Limited (Controlling Interest)
	Dhamra LNG Terminal Private Limited [w.e.f March 16, 2019 to December 30, 2019]
	Dhamra Infrastructure Private Limited (formerly known as Welspun Orissa Steel Private Limited) [acquired on April 22, 2019]

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

30 Related Party Disclosures (contd.)

Step down Subsidiary	Abbot Point BulkCoal Pty Limited, Australia
	Blue Star Realtors Private Limited
	Adani Mundra Port Pte. Limited, Singapore [incorporated on January 03, 2019]
	Bowen Rail Operations Pte Limited, Singapore
	Bowen Rail Company Pty Limited, Australia
	Dermot Infracon Private Limited
	Adani Abbot Port Pte. Limited,Singapore
	Adani Total Private Limited (formerly known as Adani Petroleum Terminal Private Limited) [w.e.f March 16, 2019 to December 30, 2019]
	Adani Logistics Services Private Limited (formerly known as Innovative B2B Logistics Solutions Private Limited) [acquired on August 06, 2019]
	Adani Forwarding Agent Private Limited [acquired on August 06, 2019]
	Adani Noble Private Limited [acquired on August 06, 2019]
	Adani Cargo Logistics Private Limited [acquired on August 06, 2019]
	Adani Logistics Infrastructure Private Limited [acquired on August 06, 2019]
	Adani Yangon International Terminal Company Limited, Myanmar [incorporated on October 30, 2018]
	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
	Adani Agri Logistics (Borivali) 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]

30 Related Party Disclosures (contd.)

Step down Subsidiary	Adani KP Agriwarehousing Private Limited (Formerly known as KP Agriwarehousing Company Private Limited) [acquired on October 01, 2020]
	Shankheshwar Buildwell Private Limited [acquired on March 30, 2021]
	Sulochana Pedestal Private Limited [acquired on March 31, 2021]
	NRC Limited [acquired on March 31, 2021]
Other related parties with whom transaction have been taken place during the year	
Joint Venture 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 [w.e.f December 31, 2019]
	Adani Total Private Limited (formerly known as Adani Petroleum Terminal Private Limited) [w.e.f December 31, 2019]
	Dighi Rohar Rail Limited [acquired on February 15, 2021)
	Total Adani Fuels Marketing Private Limited [w.e.f December 31, 2019]
Key Managerial Personnel and their relatives	Mr. Gautam S. Adani - Chairman and Managing Director
	Mr. Rajesh S. Adani - Director and Brother of Mr. Gautam S. Adani
	Dr. Malay Mahadevia - Wholetime Director
	Mr. Karan G. Adani -Chief Executive Officer and son of Mr. Gautam S. Adani
	Prof. G. Raghuram - Non-Executive Director
	Mr. Sanjay S. Lalbhai - Non-Executive Director (upto August 08, 2019)
	Ms. Radhika Haribhakti - Non-Executive Director (upto March 31, 2020)
	Mr. Gopal Krishna Pillai - Non-Executive Director
	Mr. Mukesh Kumar - Non-Executive Director (upto May 22, 2020)
	Ms. Nirupama Rao - Non-Executive Director (w.e.f April 22, 2019)
	Mr. Bharat Sheth - Non-Executive Director (w.e.f October 15, 2019)
	Mr. Palamadai Sundararajan Jayakumar (w.e.f July 23, 2020))
	Mrs. Avantika Singh Aulakh (w.e.f September 15, 2020)
	Mr. Deepak Maheshwari - Chief Financial Officer
	Mr. Kamlesh Bhagia - Company Secretary
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	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
	Adani Renewable Energy (RJ) Limited
	Udupi Power Corporation Limited
	Adani Mundra SEZ Infrastructure Private Limited
	Adani Township And Real Estate Company Private Limited
	Abbot Point Port Holdings Pte Limited, Singapore
	Mundra Port Pty Limited, Australia
	Shanti Builders

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

30 Related Party Disclosures (contd.)

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	Adani Bunkering Private Limited
	Adani Enterprises Limited
	Mundra Solar PV Limited
	Adani Cementation Limited
	Adani Road Transport Limited
	Adani Finserve Private Limited
	Adani Capital Private Limited
	Mundra Solar Technopark Private Limited
	Adani Green Energy Limited
	Adani Total Gas Limited
	Adani Global F.Z.E.
	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
	Adani-Elbit Advanced Systems India Limited
	Shantigram Utility Services Private Limited
	Mundra LPG Terminal Private Limited
	Adani Dhamra LPG Terminal Private Limited
	Adani Power Dahej Limited
	Adani Power (Mundra) Limited
	Adani Power Maharashtra Limited
	Adani Power Limited
	Adani Power Rajasthan Limited
	Adani Wilmar Limited
	Kutch Power Generation Limited
	Vishakha Solar Films Private Limited
	Adani Ahmedabad International Airport Limited
	Maharashtra Eastern Grid Power Transmission Company Limited
	Adani Lucknow International Airport Limited
	Adani Solar Energy Kutchh Two Private Limited (Formerly known as Gaya Solar (Bihar) Private Limited)
	Adani Airport Holding Private Limited
	Adani Agri Fresh Limited
	Adani Solar USA Inc, USA
	Vishakha Renewables Private Limited

30 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. The Company has not recorded any impairment of receivables relating to amounts owed by related parties except provision made in earlier year for loans given to a subsidiary of ₹205.02 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 7.50 % p.a. to 11 % 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, Abbot Point Operations Pty Limited and Adani Bangladesh Port Private Limited whereby loan transaction aggregating to ₹154.14 crore (previous year ₹151.87 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.

(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	March 31, 2021	85.65	554.40	651.88	-
		March 31, 2020	40.22	438.44	790.90	-
2	Lease & Infrastructure Usage Income/ Upfront Premium (Includes Reversal)	March 31, 2021	37.20	12.38	96.66	-
		March 31, 2020	15.90	11.90	94.86	-
3	Sale of Non Financial Asset	March 31, 2021	-	-	156.12	-
		March 31, 2020	-	-	146.11	-
4	Interest Income on loans/ deposits/deferred accounts receivable	March 31, 2021	900.01	88.19	64.32	-
		March 31, 2020	932.75	100.40	77.69	-
5	Interest Expenses	March 31, 2021	111.80	-	-	-
		March 31, 2020	28.11	-	-	-
6	Purchase of Spares and consumables, Power & Fuel	March 31, 2021	55.89	0.37	11.57	-
		March 31, 2020	73.82	0.02	91.33	-
7	Recovery of expenses (Reimbursement)	March 31, 2021	0.21	50.08	-	-
		March 31, 2020	0.30	78.94	-	-
8	Services Availed (including reimbursement of expenses)	March 31, 2021	100.14	5.92	121.14	-
		March 31, 2020	166.73	4.71	99.68	-
9	Rent charges paid	March 31, 2021	0.04	-	12.04	-
		March 31, 2020	-	-	8.21	-

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

30 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
10	Sales of Scrap and other Miscellaneous Income	March 31, 2021	19.41	4.24	46.34	-
		March 31, 2020	25.86	2.85	48.16	-
11	Loans Given	March 31, 2021	5,374.53	-	-	-
		March 31, 2020	5,750.86	100.00	-	-
12	Loans Received back	March 31, 2021	6,730.44	496.68	1.85	-
		March 31, 2020	4,859.81	368.00	571.00	-
13	Loan taken	March 31, 2021	11,079.38	-	-	-
		March 31, 2020	3,295.73	-	-	-
14	Loan Repaid	March 31, 2021	10,360.21	-	-	-
		March 31, 2020	2,673.73	-	-	-
15	Advance / Deposit given	March 31, 2021	-	-	42.95	-
		March 31, 2020	-	-	51.60	-
16	Advance / Deposit Received back	March 31, 2021	-	-	145.75	-
		March 31, 2020	-	-	-	-
17	Share Application Money Paid / Investment	March 31, 2021	697.04	-	-	-
		March 31, 2020	330.57	-	-	-
18	Assignment of Financial Assets	March 31, 2021	200.00	-	-	-
		March 31, 2020	-	-	-	-
19	Sale of Investment	March 31, 2021	-	-	-	-
		March 31, 2020	0.20	-	-	-
20	Donation	March 31, 2021	-	-	1.00	-
		March 31, 2020	-	-	37.42	-
21	Purchase of Property / Assets / Land use rights	March 31, 2021	19.88	2.02	17.00	-
		March 31, 2020	132.59	-	20.12	-
22	Sale of Assets	March 31, 2021	0.16	2.19	-	
		March 31, 2020	59.44	-	-	-
23	Investment in perpetual debt	March 31, 2021	750.00	-	-	-
		March 31, 2020	2,292.88	-	-	-
24	Redemption of perpetual debt	March 31, 2021	630.00	-	-	-
		March 31, 2020	500.00	-	-	-
25	Remuneration *					
	Short-term employee benefits	March 31, 2021	-	-	-	21.09
		March 31, 2020	-	-	-	21.01
	Other long-term benefits	March 31, 2021	-	-	-	0.05
		March 31, 2020	-	-	-	0.01
	Post-employment benefits	March 31, 2021	-	-	-	0.87
		March 31, 2020	-	-	-	1.36
26	Commission to Directors	March 31, 2021	-	-	-	1.00
		March 31, 2020	-	-	-	1.00
27	Commission to Non-Executive Directors	March 31, 2021	-	-	-	0.94
		March 31, 2020	-	-	-	0.63

30 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
28	Sitting Fees	March 31, 2021	-	-	-	0.38
		March 31, 2020	-	-	-	0.38
29	Corporate Guarantee Given	March 31, 2021	-	USD 70 Mn	-	-
		March 31, 2021	1,031.51	199.00	-	-
		March 31, 2020	USD 420 Mn	USD 120.35 Mn	-	-
		March 31, 2020	1,085.95	-	-	-

*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

(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)	March 31, 2021	28.57	59.53	555.52	
		March 31, 2020	25.54	148.53	700.23	-
2	Loans (Net of provision)	March 31, 2021	13,924.57	819.26	-	
		March 31, 2020	9,099.06	1,332.37	1.85	-
3	Capital Advances	March 31, 2021	-	-	13.19	-
		March 31, 2020	-	0.09	8.19	-
4	Trade Payables (including provisions)	March 31, 2021	24.71	2.36	39.72	
		March 31, 2020	13.83	2.61	41.50	-
5	Advances and Deposits from Customer/ Sale of Assets	March 31, 2021	0.18	0.54	12.69	
		March 31, 2020	0.23	3.95	11.10	-
6	Other Financial & Non-Financial Assets	March 31, 2021	460.60	69.14	720.67	
		March 31, 2020	828.84	70.29	872.92	-
7	Borrowings	March 31, 2021	1,427.17	-	-	-
		March 31, 2020	708.00	-	-	-
8	Other Financial & Non-Financial Liabilities	March 31, 2021	91.90	-	1.57	-
		March 31, 2020	171.41	-	43.29	-

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

30 Related Party Disclosures (contd.)

₹ in crore

Sr No	Particulars	As at	With Subsidiaries	With Joint Ventures	With Other Entities #	Key Managerial Personnel and their relatives
9	Corporate Guarantee	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	-	
		March 31, 2020	USD 14.69 Mn	USD 102.40 Mn	-	-
		March 31, 2020	EUR 77.37 Mn	-	-	-
		March 31, 2020	818.62	-	-	-

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:

a) 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 ₹868.67crore (previous year ₹1,941.46 crore) is not disclosed in above schedule.

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.

31 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, 2021	As at March 31, 2020	
Forward Contract	USD 9 Million	USD 139 Million	Hedging of foreign currency borrowing principal & interest liability
	USD 40 Million	USD 46.00 Million	Hedging of foreign currency borrowing principal liability of USD against JPY
Foreign Currency - INR Full Currency Swap	-	USD 111.38 Million	Hedging of currency and interest rate risk of foreign currency borrowing

31 (contd.)

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, 2021		As at March 31, 2020	
	Amount (₹ In crore)	Foreign Currency (in Million)	Amount (₹ In crore)	Foreign Currency (in Million)
Foreign Currency Loan	-	-	155.49	USD 20.55
	75.21	EUR 8.77	127.17	EUR 15.36
Foreign Currency Bond	23,029.65	USD 3150	17,316.88	USD 2288.63
Trade Payables and Other Current Liabilities	21.00	USD 2.87	72.77	USD 9.62
	5.06	EUR 0.59	2.66	EUR 0.32
	0.13	SGD 0.02	0.26	SGD 0.05
	0.09	AUD 0.02	-	-
	*	GBP *	-	-
Interest accrued but not due	102.82	USD 14.06	137.63	USD 18.19
	0.18	EUR 0.02	0.37	EUR 0.04
Balances with Bank	-	-	0.30	USD 0.04
Trade Receivable	0.52	USD 0.07	-	-
	0.02	EUR *	-	-
Other Receivable	-	-	5.26	AUD 1.14
	-	-	0.03	JPY 0.40
	68.72	USD 9.40	69.89	USD 9.24
Loan given	86.34	AUD 15.50	92.15	AUD 20.00
	9.58	BDT 110.95	-	-
	1,657.07	USD 226.65	1,462.86	USD 193.33

* Figures being nullified on conversion to ₹ in crore and foreign currency in million

₹ In crore

Closing rates as at :	March 31, 2021	March 31, 2020
INR / USD	73.11	75.67
INR / EUR	85.75	82.77
INR / GBP	100.75	93.50
INR / JPY	0.66	0.70
INR / AUD	55.70	46.08
INR / SGD	54.35	53.03
INR / BDT	0.86	0.89

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

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

32.1 Category-wise Classification of Financial Instruments:

₹ 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
Financial Assets					
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 Equity Shares (other than investment in subsidiaries and joint ventures)	4	263.54	-	-	263.54
Investments in unquoted Purchase Transfer Certificate	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
Other Financial Assets	7	-	-	3,591.70	3,591.70
Total		**263.54**	**15.05**	**25,066.33**	**25,344.92**
Financial Liabilities					
Borrowings (including the bills discounted and current maturities)	14, 15 & 17	-	-	33,807.16	33,807.16
Trade Payables	18	-	-	216.69	216.69
Lease Liabilities	15	-	-	144.37	144.37
Other Financial Liabilities	15	-	-	942.64	942.64
Total		**-**	**-**	**35,110.86**	**35,110.86**

₹ in crore

Particulars	Refer Note	As at March 31, 2020			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial Assets					
Cash and cash equivalents	11	-	-	4,408.39	4,408.39
Bank balances other than cash and cash equivalents	11	-	-	35.98	35.98
Investments in unquoted Equity Shares (other than investment in subsidiaries and joint ventures)	4	251.04	-	-	251.04
Investments in unquoted Mutual Funds	10	-	11.89	-	11.89
Trade Receivables (including bills discounted)	5	-	-	2,132.67	2,132.67

32 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management
(contd.)

₹ in crore

Particulars	Refer Note	As at March 31, 2020			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Loans	6	-	-	11,665.50	11,665.50
Derivatives instruments	7	-	119.81	-	119.81
Other Financial Assets	7	-	-	4,051.45	4,051.45
Total		**251.04**	**131.70**	**22,293.99**	**22,676.73**
Financial Liabilities					
Borrowings (including the bills discounted and current maturities)	14, 15 & 17	-	-	28,899.25	28,899.25
Trade Payables	18	-	-	217.65	217.65
Lease Liabilities	15	-	-	124.48	124.48
Other Financial Liabilities	15	-	-	899.59	899.59
Total		**-**	**-**	**30,140.97**	**30,140.97**

Note: Group Company investment amounting to ₹ 20,505.34 crore (previous year ₹15,352.85 crore) are measured at cost hence not included in above tables.

32.2 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, 2021			As at March 31, 2020		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
Financial Assets						
Investment in unquoted Equity Investments measured at FVTOCI (refer note 4)	-	263.54	263.54	-	251.04	251.04
Investments in unquoted Mutual Funds measured at FVTPL (refer note 10)	-	-	-	11.89	-	11.89
Derivatives instruments (refer note 7)	15.05	-	15.05	119.81	-	119.81
Total	**15.05**	**263.54**	**278.59**	**131.70**	**251.04**	**382.74**

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.

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

32 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, 2021 and March 31, 2020 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, 2021 : 11.79% - 18.50% (15.15%) March 31, 2020 : 13.60% - 18.50% (16.05%)	1% increase would result in decrease in fair value by ₹4.69 crore as of March 31, 2021 (₹10.24 crore as of March 31, 2020)

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.

32.3 Financial Risk 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

32 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

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, 2021 and March 31, 2020.

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, 2021 and March 31, 2020. 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, 2021 and March 31, 2020.

(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, 2021 would decrease / increase by ₹4.74 crore (previous year ₹16.17 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, 2021

32 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 INR loan into other foreign currency for taking advantage of lower cost of borrowing in stable currency environment. The Company also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings or creditors. Further, to hedge foreign currency future transactions in respect of which firm commitment are made or which are highly probable forecast transactions (for instance, foreign exchange denominated income) the Company has entered into foreign currency forward contracts as per the policy of the Company.

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

₹ in crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
USD Sensitivity				
RUPEES / USD – Increase by 1%	(214.27)	(159.94)	(214.27)	(159.94)
RUPEES / USD – Decrease by 1%	214.27	159.94	214.27	159.94
EURO Sensitivity				
RUPEES / EURO – Increase by 1%	(0.05)	(0.61)	(0.05)	(0.61)
RUPEES / EURO – Decrease by 1%	0.05	0.61	0.05	0.61
SGD Sensitivity				
RUPEES / SGD – Increase by 1%	*	(0.01)	*	(0.01)
RUPEES / SGD – Decrease by 1%	*	0.01	*	0.01
AUD Sensitivity				
RUPEES / AUD – Increase by 1%	0.86	0.97	0.86	0.97
RUPEES / AUD – Decrease by 1%	(0.86)	(0.97)	(0.86)	(0.97)
BDT Sensitivity				
RUPEES / BDT – Increase by 1%	0.10	-	0.10	-
RUPEES / BDT – Decrease by 1%	(0.10)	-	(0.10)	-
GBP Sensitivity				
RUPEES / GBP – Increase by 1%	*	-	*	-
RUPEES / GBP – Decrease by 1%	*	-	*	-

* Figures being nullified on conversion to ₹ in crore

32 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 subsidiaries and joint ventures companies. The counterparties have an obligation to return the guarantees/ securities to the Company. There are no other significant terms and conditions associated with the use of collateral.

b) Credit risk

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

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

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

Credit risk from balances with banks, financial institutions and other counter parties is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's 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.

Corporate Guarantees given to banks and financial institutions against credit facilities availed by the subsidiaries and joint ventures ₹ 3,956.79 crore (previous year ₹2,344.87 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 47 % revenue (previous year 45 %) from such customers, and with some of these customers, the Company has long term cargo contracts. As at March 31, 2021, receivables from such customer constitute 41 % (previous year 43%) 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, 2021

32 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
As at March 31, 2021						
Borrowings (including bills discounted)	14, 15 & 17	2,857.85	9,108.59	22,068.76	34,035.20	33,807.16
Interest on borrowings	15	1,637.43	5,466.50	2,826.62	9,930.55	585.61
Trade Payables	18	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	15	336.79	17.31	2.93	357.03	357.03
Total		**5,061.53**	**14,654.72**	**25,068.91**	**44,785.16**	**35,110.86**

₹ in crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Value
As at March 31, 2020						
Borrowings (including bills discounted)	14, 15 & 17	4,172.88	11,771.24	13,040.58	28,984.70	28,899.25
Interest on borrowings	15	1,341.63	3,963.82	1,995.14	7,300.59	319.90
Trade Payables	18	217.65	-	-	217.65	217.65
Lease Liabilities (Including finance charge)	15	10.32	52.23	156.01	218.56	124.48
Other Financial Liabilities	15	564.83	12.70	2.16	579.69	579.69
Total		**6,307.31**	**15,799.99**	**15,193.89**	**37,301.19**	**30,140.97**

Note:

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

32 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

32.4 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, 2021	March 31, 2020
Total Borrowings (including bills discounting) (refer note 14, 15 and 17)	33,807.16	28,899.25
Less: Cash and bank balance & Investments in Mutual Fund (refer note 7,10,11)	3,545.25	4,456.26
Net Debt (A)	30,261.91	24,442.99
Total Equity (B)	21,801.28	19,865.17
Total Equity and Net Debt (C = A + B)	52,063.19	44,308.16
Gearing ratio	58%	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, 2021 and March 31, 2020.

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

₹ In crore

Sr. No	Particulars	March 31, 2021	March 31, 2020
i)	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	1.94	0.58
	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

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

33 (contd.)

₹ In crore

Sr. No	Particulars	March 31, 2021	March 31, 2020
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

34 Capital Commitments and Other Commitments

(i) Capital Commitments

Estimated amount of contract [net of security deposits amounting to ₹683.63 crore (previous year ₹323.63 crore) included in note 7 and advances] remaining to be executed on capital account and not provided for ₹2,681.86 crore (previous year ₹1,226.34 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, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Adani International Container Terminal Private Limited	50.00%	24.97%	-	25.03%
Adani Vizhinjam Port Private Limited	70.00%	-	30.00%	-
The Dhamra Port Company Limited	21.00%	-	30.00%	30.00%

b) Contract/ Commitment for purchase of certain supplies. Advance given ₹231.20 crore (previous year ₹356.95 crore)

c) The Company has provided a letter of support to few subsidiaries to provide financials support if and when needed to meet its financials obligation.

35 Contingent Liabilities not provided for

₹ In crore

Sr. No	Particulars	March 31, 2021	March 31, 2020
a)	Certain facilities availed by the subsidiaries and joint ventures and other group company against credit facilities sanctioned to the Company.	868.67	1,941.46
b)	Bank Guarantees given to government authorities and banks (also includes DSRA bank guarantees given to bank on behalf of subsidiaries and erstwhile subsidiaries.)	291.54	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	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)	Customs department notice for wrongly availing duty benefit exemption under DFCEC Scheme on import of equipment. The Company has filed its reply to the show cause notice with Deputy Commissioner of Customs, Mundra and since, no action was taken by Deputy Commissioner of Customs, Company filed petition before Gujarat High Court requesting to quash the show cause notice on the ground of delayed adjudication. High Court vide judgment dated February 26, 2021 quashed & set aside the show cause notice as a result of which there is no liability against the company.	-	0.25
f)	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). (refer note j below)	32.63	32.63

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

35 Contingent Liabilities not provided for (contd.)

₹ In crore

Sr. No	Particulars	March 31, 2021	March 31, 2020
g)	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
h)	Commissioner of Customs, Ahmedabad has demanded vide letter no.4/Comm./SIIB/2009 dated November 25, 2009 for recovery of penalty in connection with import of Air Craft which is 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 demand order, 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
i)	The Company's tax assessments is completed till assessment year 2016-17, pending appeals with High Court/Supreme Court for Assessment Year 2008-09 to AY 2010-11, Appellate Tribunal for Assessment Year 2011-12 to 2016-17. During the year, the Company has received a favourable order from CIT(Appeals) for Assessment Year 2013-14 to 2016-17. During the previous year, the Company has received a favourable order from CIT (Appeals) for Assessment Year 2012-13. The management is reasonably confident that no liability will devolve on the Company.	125.81	125.81
j)	During the Previous Year, an Amnesty Scheme, Sabka Vishwas Legacy Dispute Resolution Scheme has been introduced by the Central Government to settle pending litigations under Central Excise & Service Tax Law. Any Tax amount payable under the Scheme is required to be paid by cash and cannot be paid by utilizing the ITC balance and litigations once settled under this Scheme shall never be reopened from either side. The Company had opted for the said scheme and accordingly the Company had settled pending litigations amounting to ₹10.45 crore in previous year (including SCNs received in the previous year ₹4.30 crore).		

36 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, 2021	March 31, 2020	March 31, 2021	March 31, 2020
(i)	Adani Logistics Limited	-	360.32	360.32	801.57
(ii)	Adani Kandla Bulk Terminal Private Limited	820.76	1,234.62	1,291.30	1,234.62
(iii)	The Dhamra Port Company Limited	865.04	1,341.24	1,561.40	1,722.45
(iv)	Adani Petronet (Dahej) Port Private Limited	50.39	170.25	188.93	321.29
(v)	Adani Murmugao Port Terminal Private Limited	413.43	380.95	424.61	395.95
(vi)	Adani Ennore Container Terminal Private Limited	378.29	802.76	878.29	802.76
(vii)	Adani Hazira Port Limited	1,300.00	1,435.00	1,535.00	1,793.00
(viii)	Adani Vizag Coal Terminal Private Limited (refer note 4 (b) (i))	417.61	390.01	417.61	390.01
(ix)	Karnavati Aviation Private Limited	47.68	48.07	71.78	48.07
(x)	Adani Kattupalli Port Limited	18.42	22.70	25.22	22.70
(xi)	Shanti Sagar International Dredging Limited	-	9.50	74.38	98.15
(xii)	Mundra SEZ Textile and Apparel Park Private Limited	29.08	31.05	31.05	31.05
(xiii)	Adani Vizhinjam Port Private Limited	903.48	1,553.66	1,599.82	1,553.66
(xiv)	Mundra International Airport Private Limited	0.55	1.76	3.64	2.65
(xv)	Adani Hospitals Mundra Private Limited	0.86	0.64	0.86	0.64
(xvi)	MPSEZ Utilities Limited	-	0.10	0.10	6.10
(xvii)	Adani Mundra LPG Terminal Private Limited	-	-	-	571.00
(xviii)	Adani Total Private Limited	68.00	68.00	68.00	627.37
(xix)	Adani Warehousing Services Private Limited	8.80	-	10.71	-
(xx)	Abbot Point Operations Pty Limited	86.34	92.15	92.15	98.04
(xxi)	Adani CMA Mundra Container Terminal Private Limited	267.22	276.56	276.56	477.76
(xxii)	Adani International Container Terminal Private Limited	484.05	987.81	987.81	1,011.28
(xxiii)	Marine Infrastructure Developer Private Limited	197.56	460.85	528.21	535.85
(xxiv)	Dholera Infrastructure Private Limited	4.91	4.91	4.91	4.91
(xxv)	Dholera Port & Special Economic Zone Limited	4.22	4.22	4.22	4.22
(xxvi)	Adani Dhamra LPG Terminal Private Limited	-	1.85	1.85	1.85
(xxvii)	Madurai Infrastructure Private Limited	-	-	-	228.50
(xxviii)	Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited)	6,576.50	-	6,873.50	-
(xxix)	Adani Bangladesh Ports Private Limited	9.58	-	10.03	-
(xxx)	Dighi Port Limited	704.71	-	704.71	-
(xxxi)	Adani Mundra Port Holding Pte. Limited	182.88	0.11	183.08	0.11
(xxxii)	Adani International Terminal Pte Limited	1,108.49	959.20	1,253.22	959.20

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, Abbot Point Operations Pty Limited and Adani Bangladesh Port Private Limited

Notes to the Standalone Financial Statements
for the year ended March 31, 2021

37 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 %
(i)	Adani Logistics Limited	Subsidiary	India	100
(ii)	Karnavati Aviation Private Limited	Subsidiary	India	100
(iii)	MPSEZ Utilities Limited	Subsidiary	India	100
(iv)	Mundra SEZ Textile and Apparel Park Private Limited	Subsidiary	India	50
(v)	Adani Murmugao Port Terminal Private Limited	Subsidiary	India	100
(vi)	Mundra International Airport Private Limited	Subsidiary	India	100
(vii)	Adani Hazira Port Limited	Subsidiary	India	100
(viii)	Adani Petronet (Dahej) Port Private Limited	Subsidiary	India	74
(ix)	Madurai Infrastructure Private Limited (formerly known as Mundra LPG Infrastructure Private Limited)	Subsidiary	India	100
(x)	Adani Vizag Coal Terminal Private Limited	Subsidiary	India	100
(xi)	Adani Kandla Bulk Terminal Private Limited	Subsidiary	India	100*
(xii)	Adani Warehousing Services Private Limited	Subsidiary	India	100
(xiii)	Adani Ennore Container Terminal Private Limited	Subsidiary	India	100
(xiv)	Adani Hospitals Mundra Private Limited	Subsidiary	India	100
(xv)	The Dhamra Port Company Limited	Subsidiary	India	100
(xvi)	Shanti Sagar International Dredging Limited	Subsidiary	India	100
(xvii)	Abbot Point Operations Pty Limited	Subsidiary	Australia	100
(xviii)	Adani Vizhinjam Port Private Limited	Subsidiary	India	100
(xix)	Adani Kattupalli Port Limited	Subsidiary	India	100
(xx)	The Adani Harbour Services Limited	Subsidiary	India	100
(xxi)	Mundra International Gateway Terminal Private Limited	Subsidiary	India	100
(xxii)	Adani International Terminals Pte Ltd	Subsidiary	Singapore	100
(xxiii)	Dholera Infrastructure Private Limited	Subsidiary	India	49
(xxiv)	Adinath Polyfills Private Limited (Acquisition of Controlling Interest in Equity Shares of Company)	Subsidiary	India	100
(xxv)	Marine Infrastructure Developer Private Limited	Subsidiary	India	97
(xxvi)	Adani Mundra Port Holding Pte Limited	Subsidiary	Singapore	100
(xxvii)	Mundra Crude Oil Terminal Private Limited	Subsidiary	India	100
(xxviii)	Adani Tracks Management Services Private Limited	Subsidiary	India	100
(xxix)	Adani Pipelines Private Limited	Subsidiary	India	100
(xxx)	Adani Bangladesh Ports Private Limited	Subsidiary	Bangladesh	100
(xxxi)	Adani Krishnapatnam Port Limited [acquired on October 01, 2020]	Subsidiary	India	75
(xxxii)	Dighi Port Limited [acquired on February 15, 2021)	Subsidiary	India	100
(xxxiv)	Aqua Desilting Private Limited	Subsidiary	India	100
(xxxv)	Adani International Container Terminal Private Limited	Joint Ventures	India	50
(xxxvi)	Adani CMA Mundra Terminal Private Limited		India	50

* Includes beneficial ownership of 26% of equity interest in aforesaid subsidiary (refer note 4 (c)).

38 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 previous 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, 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 revenue or expenses has been recorded till March 2021.

39 The Code on Wages, 2019 and Code of Social Security, 2020 ("the Codes") relating to employee compensation and post-employment benefits had received Presidential assent but 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.

40 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"). The said Scheme is effective upon approval of shareholders, creditors, Hon'ble National Company Law Tribunal and other regulatory and statutory approvals as applicable.

b) On March 03, 2021, the Company had announced that it will be acquiring stake of 31.50% in Gangavaram Port Limited ("GPL") from existing shareholder of GPL subject to necessary regulatory approvals. The Company has completed acquisition of 31.50% equity stake of GPL on April 16, 2021. On March 13, 2021, the Company has announced that it will be acquiring controlling stake of 58.10% in GPL from existing shareholders of GPL subject to necessary regulatory approvals.

41 Company's subsidiary in Myanmar has signed a contract for setting up a greenfield project i.e. an International Container Terminal, in Yangon, Myanmar in May 2019 and has invested USD 127 million on the project upto March 31, 2021. The Company continues to estimate the feasibility of this project to be viable. However, in light of the Military coup in Myanmar and sanctions imposed by the United States on Myanmar Economic Corporation, the Company has obtained US based counsel's view on its legal compliance position (which confirms that there is no legal non-compliance) and is proactively approaching the Office of Foreign Assets Control (OFAC) of US Department of Treasury operations, to make sure that it is not in violation of the sanctions due to the recent developments. Company is also in touch with Indian embassy in Myanmar to ensure safety of the employees.

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

42 Adani Vizhinjam Port Private Limited ("AVPPL"), a 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. During the current year and earlier years, 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 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 authorities' rights to terminate the CA on completion of extendable COD date, 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 respectively on the matter w.e.f. February 05, 2021 and February 25, 2021 respectively. The first procedural hearing on the arbitration matters were held on March 13, 2021 wherein terms of arbitration and course of action has been discussed and agreed between the parties and the matter is presently sub judice.

As at reporting date, pending resolution of disputes with the VISL authorities and arbitration proceedings 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 represent that the project development is progressing with revised timelines which has to be agreed with authorities and during the year, AVPPL received acknowledgment on achievement of Milestone III as per the terms of the CA from the Authorities on November 30, 2020. The Ministry of Environment & Forests (MoEF) has also extended validity of the Environmental Clearance from January 2019 to January 2024 on the proposal of VISL. As per management commitment to develop the project, on February 02, 2021, AVPPL has availed additional Equity Funding of ₹697.04 crore from Adani Ports and Special Economic Zone Limited ("APSEZ") to meet the requirement of Equity Funding as per the Approved Financial Package and on February 08, 2021 AVPPL has also availed term loan disbursement from Bank of ₹500 crore for funding for the Project development. 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 that it is not likely to have significant financial impact of the disputes which is required to be considered in the financial statements for the year ended March 31, 2021.

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

44 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.

45 Event occurred after the Balance Sheet Date

i) The Company has entered into share purchase agreement on April 4, 2021 to acquire balance 25% equity stake of the Adani Krishnapatnam Port Limited from its erstwhile promoters.

ii) On April 16, 2021, the Company has completed acquisition of 31.50% equity stake of Gangavaram Port Limited.

iii) 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).

iv) The Board of Directors of the Company has recommended Equity dividend of ₹5 per equity share (previous year Nil) on 2,041,751,761 equity shares.

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

Deepak Maheshwari
Chief Financial Officer

Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : 04 May, 2021

Consolidated Financial Statements

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 loss in its associate and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2021, 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 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, 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, 2021, 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 and its associate 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 sub-paragraphs (a) and (b) of 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 43 to the consolidated financial statement, regarding the management's impairment assessment of property, plant and equipment of ₹ 11.42 crores and intangible assets of ₹ 1,031.20 crores, as at 31 March 2021 being considered recoverable based on the future operational plans and cash flows wherein the projections are made based on various judgements and estimates related to cargo traffic, port tariffs, inflation, discount rates and implications expected to arise from COVID-19 pandemic, wherein the actuals could vary, in case of Adani Murmugao Port Terminal Private Limited and Adani Kandla Bulk Terminal Private Limited and also considering the expected relaxation to be received for revenue share on storage charge in case of Adani Murmugao Terminal Private Limited. Accordingly, for the reasons stated therein in the said Note, no provision towards impairment of carrying values of the aforesaid property, plant and equipment and intangible assets is considered necessary at this stage

(ii) Note 46 to the consolidated financial Statement, 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 status of arbitration proceedings initiated by AVPPL to resolve disputes with the Government authorities over various matters relating to development of the project, which led to delay in achieving scheduled COD, as at reporting date, detailed in the said note.

Our report is not modified in respect of these matters.

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Property, plant and Equipment & Intangible assets for Service Concession Arrangement — Refer to Note 43 to the consolidated financial statements

Key Audit Matter Description

The Group has entered into Service Concession Arrangement ("SCAs") for its port facilities at Kandla and Goa. The cost of infrastructure facilities forming part of the SCAs are classified as Intangible assets along with certain tangible assets. As of March 31, 2021, the aggregate carrying value of these assets is ₹1,042.62 crores.

The Group has carried out detailed evaluation of recoverable values of such tangible and intangible assets considering various factors, as further explained in Note 43 to the consolidated financial statements. 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. Based on such assessment the management has concluded that the carrying value of assets are good and recoverable. Any adverse changes in these assumptions could have a significant impact on either the recoverable value, or the amount of any impairment charge, or both.

We focused on this area as Key Audit Matter due to the size/materiality of the balances of the tangible and intangible assets and due to the multitude of factors and assumptions involved in determining the forecasted revenues/cash flows and discount rate in the projection period requiring significant judgments to estimate the recoverable values

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 SCAs included the following, among others:

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:

- Evaluated the Design and Implementation of the relevant internal controls and tested the operating effectiveness of such internal controls over impairment assessment process, which inter-alia included the management's control over reasonableness of the assumptions considered to forecast future revenues and operating margin, and the selection of the discount rate.
- We obtained the impairment assessment calculations from the management and performed the following substantive procedures:
  - Evaluated the reasonableness of revenue related assumptions considered in the projections with the company's historical revenue growth and internal communications to management, Audit Committee and the Board of Directors
  - Evaluated the appropriateness of other key assumptions considered, in developing the projections by considering the historical accuracy of the Company's estimates in the prior periods.
    - With internal fair-value specialists, we evaluated the reasonableness of (1) the valuation methodology and (2) the discount rate considered, 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.

Business Combinations — Krishnapatanam Port Company Limited ("KPCL") Refer to Note 38(i) to the consolidated financial statements

Key Audit Matter Description

During the current financial year, as further explained in Note 38 to the consolidated financial statements, the Group acquired controlling interest in KPCL for a consideration of ₹ 10,522.59 crore. The Group accounted for the acquisition at fair-values of the net assets acquired, including intangibles, in accordance with Ind AS 103 – Business Combinations. Accordingly, the purchase price was allocated to the assets acquired and liabilities (including contingent liabilities, if any) 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:

- Evaluated the Design and Implementation of relevant internal controls and tested the operating effectiveness of such internal controls over the purchase price allocation process, which inter-alia included management's control over reasonableness of various assumptions and estimates made to determine fair values of the net assets acquired.
- We obtained from the management, the report obtained by the management from its external experts for determining the fair values of assets acquired and liabilities (including contingent liabilities) assumed and performed the following substantive procedures:
- Determination of the purchase consideration transferred by the Group for the acquisition with the share purchase agreement
- With the assistance of our internal fair value specialists, we evaluated (1) the appropriateness of the valuation methodologies / models used to determine the fair values for identified tangible and intangibles assets and (2) determined the appropriateness of the fair values as determined by the management's experts by assessing the 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, testing the mathematical accuracy of the calculation, 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 fair 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, 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 its 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 and its 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 associate 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 associate 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 associate 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 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 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 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 management either intends to liquidate or 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 associate and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associate 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 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 associate 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 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 did not audit the financial statements of 66 subsidiaries, whose financial statements reflect total assets of ₹ 35,323.88 crores as at March 31, 2021, total revenues of ₹ 6,301.29 crores and net cash outflows amounting to ₹ 1,607.41 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 ₹ 205.15 crores for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of two 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 venture 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 three subsidiaries, whose financial statements reflect total assets of ₹ 325.16 crores as at March 31, 2021, total revenues of ₹ Nil and net cash inflows amounting to ₹ Nil 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 loss of ₹ 0.24 crores for year ended March 31, 2021, as considered in the consolidated financial statements, in respect of one associate and one joint venture, whose financial statements/ financial information 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 subsidiaries, 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 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 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) 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, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and joint venture companies incorporated in India, none of the directors of the Group companies, and joint venture companies incorporated in India is disqualified as on March 31, 2021 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 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, the remuneration paid by the Parent 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 and its 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 and its subsidiary companies and its joint venture companies incorporated in India.

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

Kartikeya Raval
Partner
(Membership No. 106189)
(UDIN: 21106189AAAAEO7790)

Place: Ahmedabad
Date: May 04, 2021

Annexure "A" to the Independent Auditor's Report of Adani Ports and Special Economic Zone Limited

(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, 2021, we have audited the internal financial controls over financial reporting of Adani Ports and Special Economic Zone Limited (hereinafter referred to as "Parent"), its subsidiary companies and its 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 its 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 subsidiary companies and its 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 subsidiary companies 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 subsidiary companies and its 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 subsidiary companies and its 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, 2021, 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 56 subsidiary companies and two 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: 21106189AAAAEO7790)

Place: Ahmedabad
Date: May 04, 2021

Consolidated Balance Sheet
as at March 31, 2021

₹ in crore

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3 (a)	36,791.51	25,744.92
Right-of-Use Assets	3 (b)	1,775.95	1,742.96
Capital Work-in-Progress		3,697.13	3,216.33
Goodwill	3 (d)	4,036.43	3,286.25
Other Intangible Assets	3 (c)	5,533.03	1,940.38
Investments accounted using Equity Method	4 (a)	649.53	826.01
Financial Assets			
Investments	4 (b)	447.86	340.10
Loans	6	235.00	-
Loans to Joint Venture Entities	6	751.26	1,264.37
Other Financial Assets			
- Bank Deposits having maturity over twelve months	11	89.42	6.90
- Other Financial Assets other than above	7	5,010.85	5,052.26
Deferred Tax Assets (net)	26	881.73	1,209.62
Other Non-Current Assets	8	2,593.44	2,753.66
		62,493.14	**47,383.76**
Current Assets			
Inventories	9	991.85	288.28
Financial Assets			
Investments	10	1,138.76	11.89
Trade Receivables	5	2,385.90	2,589.09
Customers' Bills Discounted	5	539.81	613.05
Cash and Cash Equivalents	11	4,198.04	7,195.46
Bank Balances other than above	11	502.74	118.40
Loans	6	1,014.81	1,784.88
Loans to Joint Venture Entities	6	68.00	68.00
Other Financial Assets	7	622.67	986.69
Other Current Assets	8	1,013.20	1,164.17
		12,475.78	**14,819.91**
Assets Held For Sale	39	354.86	-
Total Assets		**75,323.78**	**62,203.67**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	406.35	406.35
Other Equity	13	30,221.91	25,217.14
Total Equity attributable to Equity holders of the parent		**30,628.26**	**25,623.49**
Non-Controlling Interests		1,468.47	219.59
Total Equity		**32,096.73**	**25,843.08**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	14	32,935.53	26,181.33
Other Financial Liabilities	15	779.94	734.33
Provisions	19	26.68	8.23
Deferred Tax Liabilities (net)	26	1,203.16	286.97
Other Non-Current Liabilities	16	1,065.79	1,453.26
		36,011.10	**28,664.12**
Current Liabilities			
Financial Liabilities			
Borrowings	17	400.00	1,544.12
Customers' Bills Discounted	17	539.81	613.05
Trade and Other Payables	18		
- total outstanding dues of micro enterprises and small enterprises		11.50	1.96
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,002.35	726.78
Other Financial Liabilities	15	3,292.34	3,336.14
Other Current Liabilities	16	1,721.19	1,346.66
Provisions	19	95.73	106.30
Current Tax Liabilities (net)	26	38.49	21.46
		7,101.41	**7,696.47**
Liabilities associated with Assets Held for Sale	39	114.54	-
Total Liabilities		**43,227.05**	**36,360.59**
Total Equity and Liabilities		**75,323.78**	**62,203.67**

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 04, 2021

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

Deepak Maheshwari
Chief Financial Officer

Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : May 04, 2021

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

₹ in crore

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from Operations	20	12,549.60	11,438.77
Gain arising from infrastructure development at Dhamra LNG terminal	44	-	434.30
Other Income	21	1,970.23	1,861.35
Total Income		**14,519.83**	**13,734.42**
Expenses			
Operating Expenses	22	3,259.49	3,097.26
Employee Benefits Expense	23	615.05	546.52
Finance Costs	24		
Interest and Bank Charges		2,129.16	1,950.64
Derivative Loss/(Gain) (net)		126.13	(137.50)
Depreciation and Amortisation Expense	3	2,107.34	1,680.28
Foreign Exchange (Gain)/Loss (net)		(715.24)	1,626.38
Other Expenses	25	691.62	663.90
Total Expenses		**8,213.55**	**9,427.48**
Profit before share of loss from Joint Venture Entities, exceptional items and tax		6,306.28	4,306.94
Share of loss from Joint Venture Entities		(14.27)	(4.39)
Profit before exceptional items and tax		**6,292.01**	**4,302.55**
Exceptional items	42(b)	-	(58.63)
Profit before tax		**6,292.01**	**4,243.92**
Tax expense:	26		
Current tax		1,271.51	707.49
Deferred tax		102.39	(144.60)
Less: Tax (credit) under Minimum Alternate Tax (MAT)		(130.63)	(103.50)
Total tax expense		**1,243.27**	**459.39**
Profit for the Year	(A)	**5,048.74**	**3,784.53**
Attributable to:			
Equity holders of the parent		4,994.30	3,763.13
Non-controlling interests		54.44	21.40
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement losses on defined benefit plans		(1.34)	(2.90)
Income tax impact		0.54	0.44
		(0.80)	**(2.46)**
Net (Loss)/Gain on FVTOCI Equity Investments		(25.01)	13.27
Income tax impact		13.86	(2.76)
		(11.15)	**10.51**
Items that will be reclassified to profit or loss in subsequent periods			
Share in other comprehensive income of joint venture (net of tax)		2.35	(12.12)
Exchange difference on translation of foreign operations		(6.32)	40.69
		(3.97)	**28.57**
Total Other Comprehensive Income for the year (net of tax)	(B)	**(15.92)**	**36.62**
Attributable to:			
Equity holders of the parent		(15.48)	37.06
Non-controlling interests		(0.44)	(0.44)
Total Comprehensive income for the year (net of tax)	(A)+(B)	**5,032.82**	**3,821.15**
Attributable to:			
Equity holders of the parent		4,978.82	3,800.19
Non-controlling interests		54.00	20.96
Earnings per Share - (Face value of ₹2 each) Basic and Diluted (in ₹)	27	**24.58**	**18.35**

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 04, 2021

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

Deepak Maheshwari
Chief Financial Officer

Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : May 04, 2021

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

₹ In crore

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					
			Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Debenture Redemption Reserve	Tonnage Tax Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Equity instrument through OCI			
Balance as at April 1, 2019	**414.19**	**165.88**	**2,551.72**	**(71.07)**	**514.04**	**529.82**	**-**	**2,575.87**	**17,689.58**	**(0.21)**	**-**	**168.38**	**24,538.20**	**209.94**	**24,748.14**
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	3,763.13	21.40	3,784.53
Other Comprehensive Income															
Re-measurement (losses) on defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	(2.46)	-	-	-	(2.46)	-	(2.46)
Net Gains on FVTOCI Equity Investments (net of tax)	-	-	-	-	-	-	-	-	-	-	-	10.95	10.95	(0.44)	10.51
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge	-	-	-	-	-	-	-	-	-	-	(10.11)	-	(10.11)	-	(10.11)
Reversal due to dilution of stake in subsidiary	-	-	-	-	-	-	-	-	-	-	10.11	-	10.11	-	10.11
Share in other comprehensive income of joint venture	-	-	-	-	-	-	-	-	-	-	(12.12)	-	(12.12)	-	(12.12)
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	-	40.69	-	-	40.69	-	40.69
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,760.67**	**40.69**	**(12.12)**	**10.95**	**3,800.19**	**20.96**	**3,821.15**
Dividend on shares	-	-	-	-	-	-	-	-	(691.58)	-	-	-	(691.58)	-	(691.58)
Dividend distribution tax (DDT)	-	-	-	-	-	-	-	-	(142.84)	-	-	-	(142.84)	-	(142.84)
Dividend to Non-Controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(10.85)	(10.85)
Foreign exchange gain /(loss) during the year	-	-	-	(16.79)	-	-	-	-	-	-	-	-	(16.79)	-	(16.79)
Amortised in consolidated statement of profit and loss	-	-	-	87.86	-	-	-	-	-	-	-	-	87.86	-	87.86
Transfer to General Reserve	-	-	-	-	(162.49)	-	-	162.49	-	-	-	-	-	-	-

Consolidated Statement of Changes in Equity
for the year ended March 31, 2021

₹ In crore

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					
			Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Debenture Redemption Reserve	Tonnage Tax Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Equity instrument through OCI			
Non-controlling Interest adjustment on acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.46)	(0.46)
Buyback of equity shares (refer note 12 (a)(ii))	(7.84)	-	(1,952.16)	-	-	-	-	-	-	-	-	-	(1,960.00)	-	(1,960.00)
Transaction costs for buyback	-	-	-	-	-	-	-	(10.72)	-	-	-	-	(10.72)	-	(10.72)
Transfer to Debenture Redemption Reserve	-	-	-	-	125.65	-	-	-	(125.65)	-	-	-	-	-	-
Transfer to Capital Redemption Reserve upon buyback (refer note 13)	-	-	-	-	-	-	7.84	(7.84)	-	-	-	-	-	-	-
Gain on Pre-mature redemption of preference share	-	-	-	-	-	-	-	-	18.52	-	-	-	18.52	-	18.52
Pre-mature redemption of Preference Share (refer note 12 (b) (iii))	-	(14.17)	-	-	-	-	-	-	-	-	-	-	(14.17)	-	(14.17)
Impact due to remeasurement of Deferred Tax (refer note 12 (b) (ii))	-	14.82	-	-	-	-	-	-	-	-	-	-	14.82	-	14.82
Transfer from/to Tonnage Tax Reserve	-	-	-	-	-	216.53	-	-	(216.53)	-	-	-	-	-	-
Balance as at March 31, 2020	**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**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

₹ In crore

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					
			Securities Premium	Capital Reserve	Debenture Redemption Reserve	Tonnage Tax Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Equity instrument through OCI			
Balance as at April 01, 2020	**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	-	-	-	4,994.30	54.44	5,048.74
Other Comprehensive Income															
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	(0.80)	-	-	-	(0.80)	-	(0.80)
Net Gains on FVTOCI 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)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,993.50**	**(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 (refer note 38 (i))	-	-	-	-	-	-	-	-	-	-	-	-	-	1,194.88	1,194.88
Capital reserve on acquisition (refer note 38 (i))	-	-	-	25.95	-	-	-	-	-	-	-	-	25.95	-	25.95
Transferred to retained earnings (refer note 38 (iii))	-	-	-	-	-	-	-	-	(14.80)	-	-	14.80	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-	125.66	-	-	-	(125.66)	-	-	-	-	-	-
Transfer from/to Tonnage Tax Reserve	-	-	-	-	-	269.53	-	-	(269.53)	-	-	-	-	-	-
Balance as at March 31, 2021	**406.35**	**166.53**	**599.56**	**25.95**	**556.69**	**1,015.88**	**7.84**	**2,765.97**	**24,875.68**	**34.16**	**(9.77)**	**183.42**	**30,628.26**	**1,468.47**	**32,096.73**

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 04, 2021

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

Deepak Maheshwari
Chief Financial Officer

Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : May 04, 2021

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

₹ In crore

	Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
A	**Cash Flows from Operating Activities**		
	Net profit before Tax	6,292.01	4,243.92
	Adjustments for :		
	Share of Loss of Joint Venture Entities	14.27	4.39
	Depreciation and Amortisation Expense	2,107.34	1,680.28
	Unclaimed Liabilities / Excess Provision Written Back	(5.38)	(1.84)
	Cost of Assets transferred under Finance Lease	4.20	19.80
	Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(65.62)	(71.80)
	Financial Guarantees Income	(2.71)	(1.52)
	Amortisation of Government Grant	(12.95)	(12.48)
	Finance Cost	2,129.16	1,950.64
	Effect of Exchange Rate Change	(729.14)	1,709.73
	Gain on account of dilution of stake in Subsidiary	-	(480.57)
	Derivative Loss/(Gain) (net)	126.13	(137.50)
	Provision of Doubtful Debts	25.00	19.47
	Interest Income	(1,758.17)	(1,669.74)
	Dividend Income	(7.01)	(8.00)
	Net Gain on Sale of Current Investments	(12.39)	(48.70)
	Gain on Disposal of Associate (refer note 38 (iii))	(92.28)	-
	Provision for Royalty on storage (refer note 42 (b))	-	58.63
	Diminution in value of Inventories	2.49	0.16
	Amortisation of fair valuation adjustment on Security Deposit	1.72	1.72
	Loss on Sale / Discard of Property, Plant and Equipment (net)	3.55	3.86
	Operating Profit before Working Capital Changes	**8,020.22**	**7,260.45**
	Adjustments for :		
	Decrease/(Increase) in Trade Receivables	295.20	(175.66)
	Increase in Inventories	(23.58)	(44.65)
	Decrease in Financial Assets	219.36	512.56
	Decrease/(Increase) in Other Assets	56.57	(612.94)
	Increase in Provisions	10.68	6.28
	(Decrease)/Increase in Trade and other Payables	(68.92)	84.34
	Increase in Other Financial Liabilities	29.68	76.31
	(Decrease)/Increase in Other Liabilities	(110.60)	1,144.69
	Cash Generated from Operations	**8,428.61**	**8,251.38**
	Direct Taxes paid (Net of Refunds)	(872.83)	(849.57)
	Net Cash generated from Operating Activities	**7,555.78**	**7,401.81**
B	**Cash Flows from Investing Activities**		
	Purchase of Property, Plant and Equipment ("PPE") (including Capital Work-in-progress, other intangible assets, capital advances and capital creditors)	(1,953.51)	(3,621.41)
	Proceeds from Sale of Property, Plant and Equipment	3.80	62.99
	Payment of Deposit given against Capital Commitments (net)	(138.61)	(379.25)
	PPE purchased along with Adani Krishnapatnam Port Limited transaction	(398.19)	-
	Payment for acquisition of subsidiaries	(13,666.98)	(273.46)
	Equity Investment in Joint Venture entities/Associates	-	(191.15)
	Proceeds from Sale of Stake in Associate/Investment	252.06	-
	Proceeds from sale of investment	72.40	78.47
	Investment in Preference share of Joint Venture entities	(23.77)	(289.36)
	Loans given	(41,467.26)	(37,532.03)
	Loans received back	42,499.03	37,794.62
	(Deposit in)/Proceeds from Fixed Deposits including Margin Money Deposits (net)	(370.38)	1,064.74
	Investment made in Pass Through certificate	(926.02)	-

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

₹ In crore

	Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
	Proceeds from sale/ (Purchase) of Investments in Mutual Fund (net)	(188.45)	58.05
	Sale of Investments in short term Debentures and Commercial Papers (net)	-	492.00
	Dividend Received	7.01	8.00
	Interest Received	2,156.20	1,977.37
	Net Cash used in Investing Activities	**(14,142.67)**	**(750.42)**
C	**Cash Flows from Financing Activities**		
	Proceeds from Non-Current Borrowings	13,893.45	12,199.12
	Repayment of Non-Current Borrowings	(7,252.60)	(7,063.39)
	Proceeds from Current Borrowings	5,100.00	3,649.50
	Repayment of Current Borrowings	(6,350.00)	(4,608.59)
	Net movement in Other Current Borrowings (maturity period less than 3 months)	100.00	(3,775.12)
	Interest & Finance Charges Paid	(1,937.73)	(1,923.87)
	Repayment of Lease Liabilities	(18.10)	(13.42)
	Payment on Buy-back of Equity Shares	-	(1,960.00)
	Transaction costs for buy-back of Equity shares	-	(10.72)
	Payment on redemption of Preference shares (refer note 12 (b) (iii))	-	(12.40)
	(Loss)/Gain on settlement of Derivative Contracts	(20.94)	107.88
	Payment of Dividend on Equity and Preference Shares	(0.23)	(699.93)
	Payment of Dividend Distribution Tax	-	(144.69)
	Net Cash generated from/(used in) Financing Activities	**3,513.85**	**(4,255.63)**
D	**Net increase in Cash and Cash Equivalents (A+B+C)**	**(3,073.04)**	**2,395.76**
E	**Cash and Cash Equivalents at the Beginning of the year (refer note 11)**	7,195.46	4,798.19
F	**Cash and Cash Equivalents on acquisition of subsidiaries (refer note 38)**	78.55	2.63
G	**Reduction in Cash and Cash Equivalents on account of loss of control of subsidiaries.**	-	(1.12)
H	**Cash and Cash Equivalents at the End of the year (refer note 11)**	**4,200.97**	**7,195.46**

Summary of significant accounting policies refer note 2.3

Notes:

1 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).

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

Place : Ahmedabad
Date : May 04, 2021

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

Deepak Maheshwari
Chief Financial Officer

Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : May 04, 2021

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

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, 2021. 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 Myanmar.

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 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 04, 2021.

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), is a 100% subsidiary of APSEZL, has developed infrastructure including operation, development, maintenance, improvement and extension of utility services (including power distribution) at Mundra Special Economic Zone in Kutch district, Gujarat.

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 TAHSPL is to own and operate harbour tugs, barges,

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

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.

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 the Company and engaged in the business of Operation and Maintenance (O&M) service to port.

20) Marine Infrastructure Developer Private Limited 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 Adani International Terminals Pte Limited (a subsidiary company), developing port infrastructure at Myanmar

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""), subsidiary companies of AALL have became step down subsidiary companies of Adani Logistics Limited (the subsidiary company of APSEZL).

23) Subsidiary company Adani Logistics Limited acquired 98.29% equity shares of Adani Logistics Services Private Limited ("ALSPL") (formerly known as Innovative B2B Logistics Solutions Private Limited) on August 06, 2019 and is engaged in the business of Logistics Operations.

    Pursuant to such acquisition, subsidiary companies of ALSPL have became step down subsidiary companies of Adani Logistics Limited (the subsidiary company of APSEZL).

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.

    Pursuant to such acquisition, subsidiary companies of AKPL have became 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.

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.

2.2 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company, subsidiaries, joint venture entities, and associates and as at March 31, 2021. 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

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 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.

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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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. 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 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 33.2)
- Quantitative disclosures of fair value measurement hierarchy (refer note 33.2)
- Investment in unquoted equity shares (refer note 4)
- Financial instruments (including those carried at amortised cost) (refer note 33.1)

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 where applicable.

Income in the nature of license fees / waterfront royalty and revenue share is recognised in accordance 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 land 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 land 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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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 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 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,

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

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 recognizes tax credits in the nature of Minimum Alternative 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/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
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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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
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
- 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

(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 incase 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. Lease liabilities has been presented under the head “Other Financial Liabilities”.

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 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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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 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 with 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:

- 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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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 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 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

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.

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) Amended standards adopted by the Group

In the current year, the Group has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after April 01, 2020.

Amendments to Ind AS 116 - Covid-19 Related Rent Concessions

The Group has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and

(c) There is no substantive change to other terms and conditions of the lease.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to Ind AS 103

Definition of a business

The Group has adopted the amendments to Ind AS 103 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 April 2020.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to Ind AS 1 and Ind AS 8 - Definition of "material

The Group has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to Ind AS 109 and 107 - Interest Rate Benchmark Reform

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The adoption of the amendments has not had any impact on the disclosures or on the amounts reported in these financial statements.

2.4 Significant accounting judgments, 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 APSEZ has control over DIPL.

(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) As per Government notification no. 57/2015-2020 dated March 31, 2020 the Group is entitled to Service Exports from India Scheme (SEIS) benefits on Port Services till year ended March 31, 2020 and accordingly Group has accounted the same on provisional basis pending notification in receipt of the eligible service and rate of rewards as at reporting date (Refer note 8 (c)).

(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(a), 43 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.

(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 26."

(iv) Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in note 28.

(v) 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 1 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 33 for further disclosures."

(vi) Provision for Decommissioning Liabilities

The management of the Group has estimated that there is no contractual and probable decommissioning liability under the condition / terms of the various concession agreements/sub-concession agreements with various Maritime Boards/ Government Port Trust Authorities.

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 in case of agreement with Food Corporation of India.

(vii) 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.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

3. Property, Plant and Equipment, Right of use assets, other Intangible Assets and Goodwill

(a) Property, Plant and Equipment

₹ In crore

Particulars	Property, Plant and Equipment																
	Free Hold Land	Leasehold land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Land Development cost	Office Equipments	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Tracks	Tugs and Boats	Railway Wagons	Aircraft	Project Assets	Total
Cost																	
As at April 1, 2019	**1,359.47**	**293.40**	**4,150.75**	**97.94**	**856.55**	**124.19**	**7,623.93**	**182.32**	**39.28**	**3,927.22**	**4,120.66**	**977.94**	**2,059.35**	**209.35**	**301.48**	**1,017.68**	**27,341.51**
Acquisitions through Business Combination	74.60	-	1.84	0.29	-	0.20	204.73	0.45	0.04	-	-	-	-	-	-	-	282.15
Acquisitions	235.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	235.00
Reclassified on account of adoption of Ind AS 116	-	(293.40)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(293.40)
Additions	375.79	-	500.03	31.92	313.47	32.21	1,623.89	50.83	3.66	67.30	666.78	4.50	182.86	238.18	0.69	73.12	4,165.23
Deductions/ Adjustment	(0.51)	-	(5.82)	(0.94)	-	(0.38)	(16.44)	(0.16)	(1.07)	-	-	-	(42.13)	-	-	(17.14)	(84.59)
Exchange difference	-	-	13.56	-	-	-	30.15	-	-	5.83	22.12	3.32	-	-	5.50	13.59	94.07
As at March 31, 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 (refer note 38(i))	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 (refer note 38(ii))	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	1643.62
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)
As at March 31, 2021	**4,811.69**	**-**	**8,083.69**	**155.50**	**1,260.68**	**174.18**	**12,457.28**	**282.95**	**53.99**	**5,804.65**	**6,028.94**	**1,186.05**	**2,368.48**	**493.00**	**215.01**	**1,081.37**	**44,457.46**
Accumulated Depreciation																	
As at April 1, 2019	**-**	**17.27**	**694.81**	**51.08**	**122.52**	**58.70**	**1,699.14**	**20.12**	**18.64**	**307.83**	**290.53**	**326.62**	**387.89**	**40.12**	**69.64**	**455.67**	**4,560.58**
Reclassified on account of adoption of Ind AS 116	-	(17.27)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(17.27)

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

3. Property, Plant and Equipment, Right of use assets, other Intangible Assets and Goodwill (contd.)

₹ In crore

Particulars	Property, Plant and Equipment																
	Free Hold Land	Leasehold land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Land Development cost	Office Equipments	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Tracks	Tugs and Boats	Railway Wagons	Aircraft	Project Assets	Total
Depreciation for the year	-	-	187.37	18.63	30.77	20.73	620.09	18.21	5.16	101.36	112.79	79.08	139.99	30.88	18.19	87.98	1,471.23
Deductions/ (Adjustment)	-	-	(1.09)	(0.87)	-	(0.29)	(7.08)	(0.10)	(0.88)	-	-	-	-	-	-	(9.18)	(19.49)
As at March 31, 2020	**-**	**-**	**881.09**	**68.84**	**153.29**	**79.14**	**2,312.15**	**38.23**	**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
As at March 31, 2021	**-**	**-**	**1,108.17**	**87.03**	**220.71**	**92.89**	**3,113.99**	**57.01**	**26.09**	**535.68**	**541.76**	**487.54**	**670.42**	**110.75**	**14.86**	**599.05**	**7,665.95**
Net Block																	
As at March 31, 2020	2,044.35	-	3,779.27	60.37	1,016.73	77.08	7,154.11	195.21	18.99	3,591.16	4,406.24	580.06	1,672.20	376.53	219.84	552.78	25,744.92
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**

Notes :-

a) Depreciation of ₹31,93 crore (previous year ₹52.03 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.

b) Freehold Land includes land/land developmen cost of ₹26.67 crore (previous year ₹12.56 crore) and 339 acres of land for which title clearance is under process.

c) Plant & Equipment includes cost of Water Pipeline amounting to ₹3.37 crore (Gross) (previous year ₹3.37 crore), accumulated depreciation ₹2.27 crore (previous year ₹1.98 crore) which is constructed on land not owned by the Company.

d) Buildings includes 612 residential flats (previous year 612 residential flats) and a hostel building valuing ₹130.75 crore (Gross) (previous year ₹130.75 crore), accumulated depreciation ₹15.86 crore (previous year ₹13.18 crore) at Samudra Township, Mundra, which are pending to be registered in Company's name.

e) 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. During the previous year, on adoption of Ind As 116 same has been classified to Right-of-Use assets .

f) Land development cost on leasehold land includes costs incurred towards reclaimed land of ₹840.60 crore (previous year ₹839.82 crore), accumulated depreciation ₹165.56 crore (previous year ₹130.46 crore). The cost has been estimated by the management, being cost allocated out of the dredging activities approximate the actual cost.

3. Property, Plant and Equipment, Right of use assets, other Intangible Assets and Goodwill (contd.)

g) Reclaimed land measuring 1,093.53 hectare are pending to be registered in the name of the Company.

h) Project Assets includes dredgers and earth moving equipments.

i) Free hold Land and lease hold land includes Land given on Operating Lease Basis:

Gross Block as at March 31, 2021 : ₹6.71 crore (previous year ₹6.71 crore)

Accumulated Depreciation as at March 31, 2021 : ₹0.36 crore (previous year ₹0.30 crore)

Net Block as at March 31, 2021 : ₹6.35 crore (previous year ₹6.41 crore)

j) 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.

k) 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.

l) Plant & Equipment includes electrical installation of ₹13.04 crore and accumulated depreciation of ₹6.85 crore (previous year ₹13.04 crore and accumulated depreciation of ₹5.76 crore) for setting up of 66 kVA infrastructure facilities for providing power connection to the port facilities of subsidiary companies.

m) The amount of borrowing costs capitalised during the year ended March 31, 2021 was ₹8.13 crore (previous year ₹48.59 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.

n) 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.

o) Refer footnote to note 14 and 17 for security / charges created on property, plant and equipment.

(b) Right-of-Use Assets

₹ in crore

Particulars	Land	Building	Plant & Equipment	Railway Wagons	Vehicles	Total
Cost						
Recognition on Initial application of Ind As 116 as at April 01, 2019	461.29	60.95	38.52	76.47	7.97	645.20
Reclassified on account of adoption of Ind AS 116	295.19	-	-	-	-	295.19
Additions	879.60	-	-	19.35	-	898.95
Exchange difference	-	-	-	-	(0.49)	(0.49)
As at March 31, 2020	**1,636.08**	**60.95**	**38.52**	**95.82**	**7.48**	**1,838.85**
Acquisitions through Business Combination (refer note 38(i))	79.12	-	-	-	-	79.12
Additions	64.09	-	-	-	-	64.09
Deductions/Adjustment		-	(0.53)	-	-	(0.53)
Exchange difference	(39.78)	-	-	-	1.57	(38.21)
As at March 31, 2021	**1,739.51**	**60.95**	**37.99**	**95.82**	**9.05**	**1,943.32**
Accumulated Depreciation						
Depreciation for the year	61.81	5.88	15.25	10.26	2.80	96.00

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

3. Property, Plant and Equipment, Right of use assets, other Intangible Assets and Goodwill (contd.)

₹ in crore

Particulars	Land	Building	Plant & Equipment	Railway Wagons	Vehicles	Total
Deductions/(Adjustment)	-	-	-	-	(0.11)	(0.11)
As at March 31, 2020	**61.81**	**5.88**	**15.25**	**10.26**	**2.69**	**95.89**
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)
As at March 31, 2021	**98.32**	**11.76**	**30.33**	**20.83**	**6.13**	**167.37**
Net Block						
As at March 31, 2020	1,574.27	55.07	23.27	85.56	4.79	1,742.96
As at March 31, 2021	**1,641.19**	**49.19**	**7.66**	**74.99**	**2.92**	**1,775.95**

(c) Other Intangible Assets

₹ in crore

Particulars	Software	Railway License Fee	Service Concession Assets/Port Infrastructure Rights	Right to operate port	Non-compete agreement	Right to use of land	Total
Cost							
As at April 1, 2019	**120.04**	**36.25**	**2,341.20**	**123.80**	**-**	**21.56**	**2,642.85**
Acquisitions through Business Combination	0.18	4.56	-	-	15.50	-	20.24
Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	(21.56)	(21.56)
Additions	13.39	-	20.19	-	-	-	33.58
Deductions/ Adjustment	(1.18)	-	(1.57)	-	-	-	(2.75)
As at March 31, 2020	**132.43**	**40.81**	**2,359.82**	**123.80**	**15.50**	**-**	**2,672.36**
Acquisitions through Business Combination (refer note 38(i))	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
As at March 31, 2021	**138.02**	**40.81**	**2,368.91**	**3,915.03**	**15.50**	**-**	**6,478.27**
Accumulated Amortisation & Impairment							
As at April 1, 2019	**46.63**	**10.03**	**506.58**	**4.55**	**-**	**2.50**	**570.29**

3. Property, Plant and Equipment, Right of use assets, other Intangible Assets and Goodwill
(contd.)

₹ in crore

Particulars	Software	Railway License Fee	Service Concession Assets/Port Infrastructure Rights	Right to operate port	Non-compete agreement	Right to use of land	Total
Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	(2.50)	(2.50)
Amortisation for the year	22.18	3.13	128.65	6.07	5.05	-	165.08
Deductions/ Adjustment	(0.42)	-	(0.47)	-	-	-	(0.89)
As at March 31, 2020	**68.39**	**13.16**	**634.76**	**10.62**	**5.05**	**-**	**731.98**
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
As at March 31, 2021	**83.88**	**16.42**	**766.36**	**65.79**	**12.79**	**-**	**945.24**
Net Block							
As at March 31, 2020	64.04	27.65	1,725.06	113.18	10.45	-	1,940.38
As at March 31, 2021	**54.14**	**24.39**	**1,602.55**	**3,849.24**	**2.71**	**-**	**5,533.03**

(d) Goodwill

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Carrying value at the beginning of the year	3,286.25	3,267.93
Amount recognised through acquisitions and business combinations. (refer note 38(i))	749.79	20.17
On account of dilution in stake of subsidiary	-	(1.72)
Forex movement	0.39	(0.13)
Carrying value at the end of the year (refer note 45)	**4,036.43**	**3,286.25**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

4 a) Investments accounted using Equity Method

₹ In crore

Particulars	March 31, 2021	March 31, 2020
In Equity Shares of Joint Venture Entities		
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 36 (b))	-	-
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 36 (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 36 (b))	2.08	2.64
2,02,00,000 (previous year 2,02,00,000) fully paid Equity Shares of ₹10 each of Adani Total Private Limited (Formerly known as Adani Petroleum Terminal Private Limited) (refer note (d) below & note 36 (b))	647.40	632.22
50,000 (Previous year Nil) fully paid Equity Shares of ₹10 each of Dighi Roha Rail Limited	0.05	-
In Equity Shares of Associates		
Nil (previous year 4,34,42,879 fully paid Equity Share of ₹44 each of Snowman Logistics Limited (refer note 38(iii)))	-	191.15
	649.53	**826.01**

4 b) Other Investments

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Unquoted		
In Equity Shares of Company (Investment at fair value through OCI) (refer note (c) below)		
5,00,00,000 (previous year 5,00,00,000) fully paid Equity Shares of ₹ 10 each of Kutch Railway Company Limited	262.50	250.00
1,73,30,000 (previous year - 1,73,30,000) fully paid Equity Shares of ₹ 10 each of Bharuch Dahej Railway Company Limited	20.78	22.51
5,50,000 (previous year 5,50,000) fully paid Equity Shares of ₹10 each of Mundra Solar Technopark Private Limited	0.94	0.94
1,000 (previous year 1,000) fully paid Equity Shares of AUD 1 each of Mundra Port Pty Limited	-*	-*
14,001 (previous year 14,001) fully paid Equity Shares of ₹10 each of Ambily Technologies Private Limited	0.01	5.21
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 fully paid Equity Share of ₹10 each of Krishnapatnam Railway Company Limited	84.70	-
1,99,000 fully paid Equity Share of ₹10 each of Blyth Wind Park Private Limited	0.20	-
200 Fully paid Equity Shares of ₹10 each of Investment in TCP Limited	0.01	-
Total FVTOCI Investment	**369.24**	**278.76**

4 b) Other Investments (contd.)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
In Debenture (Valued at amortised cost)		
35,15,625 (previous year Nil) 7.7% Zero Coupon Compulsory Convertible Debentures of ₹20 each of Blyth Wind Park Private Limited	7.03	-
In Government Securities (valued at amortised cost)		
National Savings Certificates (Lodged with Government Department) & others	-*	-*
In preference shares of Joint Venture Entities (Investment at fair value through profit or loss)		
1,39,16,081 (Previous Year - 1,28,60,526) fully paid Compulsorily Convertible Preference shares of ₹225 each of Adani Total Private Limited (Formerly known as Adani Petroleum Terminal Private Limited)	71.59	61.34
Investments	**447.86**	**340.10**

-* Figures being nullified on conversion to ₹ in crore.

Notes:

a) Aggregate amount of unquoted investments as at March 31, 2021 ₹1,097.39 crore (previous year ₹974.96 crore).

b) Aggregate amount of quoted investments as at March 31, 2021 ₹ Nil (previous year ₹191.15 crore).

c) Reconciliation of Fair value measurement of the investment in unquoted equity shares

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Opening Balance	278.76	265.49
Add : Investment made/sold during the year (net)	115.49	-
Fair value gain recognised in Other comprehensive income (net)	(25.01)	13.27
Closing Balance	**369.24**	**278.76**

d) Value of Deemed Investment accounted in joint venture entities in terms of fair valuation under Ind AS 109

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Adani Total Private Limited	264.66	238.37

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

5 Trade Receivables

(unsecured, unless otherwise stated)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Trade Receivables		
Considered good	3,037.66	3,270.19
Less : Allowances for expected credit loss due to increase in credit risk ("ECL")	(111.95)	(68.05)
	2,925.71	**3,202.14**
Customers' Bill Discounted (refer note (c) below)	539.81	613.05
Other Trade Receivables	2,385.90	2,589.09
Total Trade Receivables	**2,925.71**	**3,202.14**

Refer note 31 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.

b) Generally, as per credit terms trade receivables are collectable within 30-180 days although the Group provide extended credit period with interest between 8% to 15% 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 ₹539.81 crore (previous year ₹613.05 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 17.

6 Loans

(Unsecured unless otherwise stated)

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Loans to Joint Venture Entities				
- Considered Good	751.26	1,264.37	68.00	68.00
Loans to Related Parties				
- Considered Good	-	-	-	1.85
Loans to others (refer note below)				
- Considered Good	235.00	-	1,014.81	1,783.03
	986.26	**1,264.37**	**1,082.81**	**1,852.88**

Note :

Loan to others includes inter-corporate deposits aggregating ₹1,149.81 crore (previous year ₹1,783.03 crore) (Including renewals on due dates) to third parties. These deposits are given at prevailing market interest rates. The inter-corporate deposits have been approved by the Finance committee of the Board of Directors and subsequently noted by the Board of Directors of the company.

Repayment of loans given to these parties along with interest thereon have been guaranteed by way of undertaking obtained from one of the promoter owned entity, a related party, in the event of default by the said companies to pay the dues.

7 Other Financial Assets

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Security deposits (refer note 34(i))				
- Considered good	3,291.97	3,180.88	185.39	120.11
- Considered doubtful	-	-	7.27	7.27
	3,291.97	3,180.88	192.66	127.38
Allowances for doubtful deposit	-	-	(7.27)	(7.27)
	3,291.97	3,180.88	185.39	120.11
Loans and Advances to Employees	1.62	1.97	3.22	3.33
Lease Receivable (refer note (b) below)	1,481.31	1,478.06	36.68	33.32
Interest Accrued	93.47	170.79	351.51	743.71
Non Trade Receivable	-	-	3.34	2.53
Asset under Service Concession Arrangement	119.24	111.95	19.77	20.00
Receivables against sale of investment	-	-	-	5.26
Derivative Instruments / Forward Contracts Receivable	-	80.60	15.05	39.64
Advance for land consideration (refer note (a) below)	23.24	28.01	4.77	4.42
Insurance Claim Receivables	-	-	2.83	11.84
Gratuity Assets (refer note 28)	-	-	0.11	2.53
	5,010.85	**5,052.26**	**622.67**	**986.69**

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, 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, 2021		March 31, 2020	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
Within One Year	129.47	120.20	128.76	117.30
After one year but not later than five years	593.28	417.21	571.20	405.18
More than five years	3,054.63	980.58	3,180.77	988.90
Total minimum lease receivables	**3,777.38**	**1,517.99**	**3,880.73**	**1,511.38**
Less: Amounts representing finance charges	(2,259.39)	-	(2,369.35)	-
Present value of minimum lease receivables	**1,517.99**	**1,517.99**	**1,511.38**	**1,511.38**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

8 Other Assets

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Capital advances (refer note (a) and (e) below)	1,009.52	1,038.53	-	-
Balance with Government Authorities (refer note (d) below)	288.51	253.36	361.67	329.33
Prepaid Expenses	14.23	17.11	99.93	54.65
Accrued revenue	7.23	-	64.90	64.00
Contract Assets (refer note (b) below)	-	-	135.92	90.80
Advances recoverable other than in cash				
To others	0.02	0.04	230.54	137.55
To related parties	111.35	237.10	120.24	186.44
Project work in progress (refer note 9(i))	-	422.33	-	-
Deferred Rent	10.71	8.57	-	-
Export benefits and Other receivables (refer note (c) below)	521.50	262.68	-	301.40
Taxes recoverable (net) (refer note 26)	630.37	513.94	-	-
	2,593.44	**2,753.66**	**1,013.20**	**1,164.17**

Notes:

a) Capital advance includes ₹273.58 crore (previous year ₹246.06 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) As per Government notification no. 57/2015-2020 dated March 31, 2020 the Group is entitled to Service Exports from India Scheme (SEIS) benefits on Port Services till year ended March 31, 2020. Accordingly, the SEIS benefits of ₹593.72 crore for the Port Services provided during the financial year ended March 31, 2020 has been accounted by the Group on provisional basis pending notification in respect of the eligible service categories under the scheme and the rates of rewards on such services by Government Authorities as at reporting date. The Group based on the advise of legal counsel is confident of realisability of the same

d) Balance with Government Authorities includes ₹10 crore paid to Kamarajar Port Limited ("KPL") as a deposit. (refer note 35(s))

e) 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	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Stores and Spares, Fuel and Lubricants	-	-	374.42	288.28
Project work in progress	-	422.33	617.43	-
	-	**422.33**	**991.85**	**288.28**
Amount disclosed under non-current assets (refer note 8)	-	(422.33)	-	-
	-	**-**	**991.85**	**288.28**

Note:-

i) As at March 31, 2021, the Dhamra Port Company Limited (a subsidiary company) has spent ₹617.43 crores (previous year ₹422.33 crores) towards development of LNG Terminal Marine Infrastructure (Project) which is expected to be transferred to Dhamra LNG Terminal Private Limited (DLNG) on Right of Use basis on completion of the Project in the next financial year.

10 Current Investments

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Unquoted mutual funds (valued at fair value through profit or loss)		
Nil (previous year 2,50,000 units) of ₹10 each in HDFC Mutual Fund	-	0.25
Nil (previous year 48,465 units) of ₹2402 each in IDFC cash fund Mutual Fund	-	11.64
4.78 units (previous year Nil) of ₹1000 each in IDFC cash fund Mutual Fund	-*	-
1,60,593 units (previous year Nil units) of ₹3,351.73 each in SBI Mutual Fund	53.82	-
2,12,744 units (previous year Nil units) of ₹1112.93 each in Aditya Birla Mutual Fund	23.68	-
12,18,4,579 units (previous year Nil units) of ₹110.98 each in ICICI Mutual Fund	135.24	-
Investment in Pass Through Certificate (Valued at Amortised Cost)		
1,00,000 units (previous year Nil) of Pass Through Certificate	926.02	-
	1138.76	**11.89**

-* Figures being nullified on conversion to ₹in crore

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Aggregate carrying value of unquoted Mutual Funds	212.74	11.89
Aggregate net assets value of unquoted Mutual Funds	212.74	11.89
Aggregate carrying value of unquoted investment in Pass Through Certificate	926.02	-

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

11 Cash and Bank Balances

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Cash and cash equivalents				
Balance in current account	-	-	3,686.90	7,150.84
Deposits with original maturity of less than three months	-	-	510.91	44.38
Cash on hand	-	-	0.23	0.24
	-	-	**4,198.04**	**7,195.46**
Other bank balances				
Bank Deposit with maturity of more than 12 months	6.51	-	-	-
In Current Account (earmarked for Unpaid Dividend)	-	-	1.50	1.73
Deposits with original maturity over 3 months but less than 12 months	-	-	474.40	18.42
Margin Money Deposits (refer note (i) below)	82.91	6.90	26.84	98.25
	89.42	6.90	502.74	118.40
Amount disclosed under Non- Current Financial Assets in Balance Sheet	(89.42)	(6.90)	-	-
	-	**-**	**502.74**	**118.40**

Note:

(i) Margin Money Deposits (net of overdraft facilities of ₹1,961.09 crore (Previous year ₹ Nil)) aggregating to ₹109.75 crore (previous year ₹105.15 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, 2021	March 31, 2020
Balance in current account	3,686.90	7,150.84
Deposits with original maturity of less than three months	510.91	44.38
Cash on hand	0.23	0.24
Cash and Cash Equivalents as per Balance Sheet	**4,198.04**	**7,195.46**
Cash & Cash Equivalents attributable to Assets held for sale (refer note 39)	2.93	-
Cash and Cash Equivalents as per Cash Flow Statement	**4,200.97**	**7,195.46**

12 Equity Share Capital

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Equity share capital		
Authorised share capital		
4,97,50,00,000 (previous year 4,97,50,00,000) Equity Shares of ₹2 each	995.00	995.00
	995.00	**995.00**
Issued, subscribed and fully paid-up share capital		
2,03,17,51,761 (previous year 2,03,17,51,761) fully paid up Equity Shares of ₹2 each	406.35	406.35
	406.35	**406.35**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	March 31, 2021		March 31, 2020	
	No	₹ In crore	No	₹ In crore
At the beginning of the year	2,03,17,51,761	406.35	2,07,09,51,761	414.19
(Less):- Shares bought back (refer note (ii) below)	-	-	(3,92,00,000)	(7.84)
Outstanding at the end of the year	**2,03,17,51,761**	**406.35**	**2,03,17,51,761**	**406.35**

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) During the previous year, the Company has bought-back 3,92,00,000 Equity Shares at a price of ₹500 per equity share from eligible shareholders of the Company on a proportionate basis through Tender Offer route in accordance with the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder.

(b) Equity Component of Non-cumulative Redeemable Preference Shares

Particulars	March 31, 2021		March 31, 2020	
	No	₹ In crore	No	₹ In crore
At the beginning of the year	25,01,824	166.53	28,11,037	165.88
Add:- Impact due to remeasurement of Deferred Tax (refer note (ii) below)	-	-	-	14.82
Less: Pre-redemption of Preference shares (refer note (iii) below)	-	-	(3,09,213)	(14.17)
Outstanding at the end of the year	**25,01,824**	**166.53**	**25,01,824**	**166.53**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

12 Equity Share Capital (contd.)

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 ₹990.00 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 ₹990.00 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.

ii) During the previous year, pursuant to the Taxation Law (Amendment) Act, 2019 passed by Government of India , the Company has re-measured the outstanding deferred tax liability that is expected to be reversed in future. Accordingly, an amount ₹14.82 crore have been adjusted in Other Equity.

iii) During the previous year, Company has redeemed 3,09,213 Non-Cumulative Redeemable Preference Shares of ₹10 each issued at premium of ₹990 per share prior to its maturity at net present value discounted @ 8%.

c) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2021		March 31, 2020	
	No	% holding in the class	No	% holding in the class
Equity shares of ₹2 each fully paid				
i) Gautambhai Shantilal Adani and Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	79,93,53,935	39.34%	79,93,53,935	39.34%
ii) Adani Tradeline LLP	13,81,93,549	6.80%	13,81,93,549	6.80%
iii) Flourishing Trade and Investment Limited	10,38,47,944	5.11%	-	-
Non-Cumulative Redeemable Preference Shares of ₹10 each fully paid up				
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%
	25,01,824	**100.00%**	**25,01,824**	**100.00%**

13 Other Equity

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Equity Component of Non Cumulative Redeemable Preference shares		
Opening Balance	166.53	165.88
Add:- Impact due to remeasurement of Deferred Tax (refer note 12 (b)(ii))	-	14.82
Less:- Pre-mature redemption of Preference Share (refer note 12 (b)(iii))	-	(14.17)
Closing Balance	**166.53**	**166.53**

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Securities Premium		
Opening Balance	599.56	2,551.72
Less:- Premium paid on buyback of equity shares (refer note 12 (a) (ii))	-	(1,952.16)
Closing Balance	**599.56**	**599.56**

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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
General Reserve		
Opening Balance	2,719.80	2,575.87
Add- Transfer from Debenture Redemption Reserve	46.17	162.49
Less: Transfer to Capital Redemption Reserve upon buyback	-	(7.84)
Less: Transaction costs for buyback	-	(10.72)
Closing Balance	**2,765.97**	**2,719.80**

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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Debenture Redemption Reserve ("DRR")		
Opening Balance	477.20	514.04
Add: Transferred from Retained Earnings	125.66	125.65
Less: Transferred to General Reserve	(46.17)	(162.49)
Closing Balance	**556.69**	**477.20**

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, 2021

13 Other Equity (contd.)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Capital Redemption Reserve ("CRR")		
Opening Balance	7.84	-
Add: Transferred from General Reserve on account of buy-back of shares	-	7.84
Closing Balance	**7.84**	**7.84**

Note: As per Companies Act, 2013, Capital redemption reserve is created when company purchases its own shared 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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Tonnage Tax Reserve		
Opening Balance	746.35	529.82
Add: Transferred from Retained Earnings	269.53	216.53
Closing Balance	**1,015.88**	**746.35**

Note:- Subsidiary companies, The Adani Harbour Services Private Limited and Shanti Sagar International Dredging Private 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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Foreign Currency Monetary Item Translation Difference Account		
Opening Balance	-	(71.07)
Add : Foreign exchange loss during the year	-	(16.79)
Less : Amortised in statement of profit and loss	-	87.86
Closing Balance	**-**	**-**

Note: Exchange differences arising on outstanding long term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. March 31, 2016 are accumulated in the “Foreign Currency Monetary Item Translation Difference Account” (FCMITDA) and amortized over the remaining life of the concerned monetary item or financial year 2019-20 whichever earlier. During the last year, the Group has amortised all such differences.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Retained Earnings		
Opening Balance	20,292.17	17,689.58
Add : Profit attributable to equity holders of the parent	4,994.30	3,763.13
Add: Gain on pre-mature redemption of preference shares	-	18.52
Less: Transfer from Other Comprehensive Income	(14.80)	-
Less : Dividend on shares	-	(691.58)
Less : Dividend distribution tax paid (DDT)	-	(142.84)
Less : Transfer to Debenture Redemption reserve	(125.66)	(125.65)

13 Other Equity (contd.)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Less : Transfer to Tonnage Tax Reserve	(269.53)	(216.53)
Less : Remeasurement losses on defined benefit plans (net of tax)	(0.80)	(2.46)
Closing Balance	**24,875.68**	**20,292.17**

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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Capital Reserve		
Opening Balance	-	-
Add :-Addition on account of acquisition (refer note 38 (i))	25.95	-
Closing Balance	**25.95**	**-**

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Foreign Currency translation reserve		
Opening Balance	40.48	(0.21)
Add/(Less):- Change during the year	(6.32)	40.69
Closing Balance	**34.16**	**40.48**

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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Cash Flow Hedge Reserve		
Opening Balance	(12.12)	-
Add/(Less):- Change during the year	2.35	(12.12)
Closing Balance	**(9.77)**	**(12.12)**

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.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

13 Other Equity (contd.)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Equity instrument through other comprehensive income		
Opening Balance	179.33	168.38
Add : Change in fair value of FVTOCI Equity Investments (net of tax)	(10.71)	10.95
Less:- Transfer to retained earnings	14.80	
Closing Balance	**183.42**	**179.33**

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

Total Other Equity	**30,221.91**	**25,217.14**

Dividend Distribution made and proposed

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Cash Dividend on equity shares declared and paid		
Final Dividend for the year ended March 31, 2020 and March 31, 2019 (₹ Nil and ₹0.20 per share)	-	41.42
Interim Dividend for the year ended March 31, 2021 and March 31, 2020 (₹ Nil and ₹3.20 per share)	-	650.16
Dividend Distribution Tax	-	144.69
	-	836.27
Proposed Dividend on Equity Shares		
Final Dividend for the year ended March 31, 2021 ₹5 per share (Previous year Nil) on 2,041,751,761 equity shares (Refer note 54 (iii) and (iv))	1,020.88	-
Cash Dividend on Preference Shares declared and paid		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	-*	-*
Dividend Distribution Tax	-	-*
Proposed Dividend on Preference Shares		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	-*	-*
Dividend Distribution Tax	-	-*

-* Figure nullified in conversion of ₹ in crore

Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as liability.

14 Non Current Borrowings

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Debentures				
15,000 (previous year Nil) 8.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured. (Redeemable on April 12, 2030 (refer note (g) below)	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)	251.46	251.39	-	-
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)	1,587.59	1,585.88	-	-
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	-	-
9000 (previous year Nil) 6.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured. (Redeemable on September 11, 2023 (refer note (a) below)	893.48	-	-	-
6,000 (previous year Nil) 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)	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)	198.78	198.49	-	-
200 (previous year 400) 10.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable in 2 quarterly equal instalments on June 27, 2021, and September 27, 2021) (refer note (b) below)	-	19.82	19.94	19.83
2,800 (previous year 2,800) 7.5% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured. (Redeemable ₹70 crore on April 23, 2021 and ₹210 crore on June 15, 2021) (refer note (f) below)	-	280.00	280.00	-

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

14 Non-Current Borrowings (contd.)

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
3,293 (previous year 4,940) 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	329.33	164.67	164.67
Preference shares				
Liability Component of Compound Financial Instrument - 0.01% Non Cumulative Redeemable Preference shares (unsecured) (refer note 12 (b))	105.83	97.09	-	-
Term loans				
Foreign currency loans:				
From banks (secured) (refer note (h), (i), m(i) to m(ii) below)	492.70	621.69	151.17	163.13
From banks (unsecured) (refer note l(vii) below)	-	-	-	1,204.82
4.375% Foreign Currency Bond priced at 238 basis points over the 10 years US Treasury Note (unsecured) (refer note l(iii) below)	5,433.56	5,620.14	-	-
4.00 % Foreign Currency Bond priced at 195 basis points over the 10 years US Treasury Note (unsecured) (refer note l(ii)) below)	3,617.74	3,740.27	-	-
3.375% Foreign Currency Bond priced at 150 basis points over the 5 years US Treasury Note (unsecured) (refer note l(iv)) below)	4,725.26	4,883.40	-	-
3.95% Foreign Currency Bond priced at 189 basis points over the 5 years US Treasury Note (unsecured) (refer note l(i)) below)	-	3,771.82	-	-
4.20% Foreign Currency Bond priced at 376 basis points over the 7 years US Treasury Note (unsecured) (refer note (l)(v))	5,447.13		-	-
3.10% Foreign Currency Bond priced at 205 basis points over the 10 years US Treasury Note (unsecured) (refer note (l)(vi))	3,618.50		-	-
Rupee loans:				
From banks (secured) (refer note j, k, m(v) to m(xiii)	1,840.98	2,416.92	448.47	182.40
From other financial institutions (unsecured) (refer note l(viii) below)	-	1.20	1.20	2.44
From others (unsecured) (refer note m(xiv) below)	2.48	2.48	-	-
Foreign currency letters of credit				
From banks (unsecured) (refer note m(iii) to (iv) below)	172.76	61.41	-	-
	32,935.53	**26,181.33**	**1,065.45**	**1,737.29**
The above amount includes				
Secured borrowings	9,812.27	8,003.52	1,064.25	530.03
Unsecured borrowings	23,123.26	18,177.81	1.20	1,207.26
Amount disclosed under the head other Current Financial Liabilities (refer note 15)	-	-	(1,065.45)	(1,737.29)
	32,935.53	**26,181.33**	**-**	**-**

14 Non-Current Borrowings (contd.)

Notes:

a) Debentures include Secured Non-Convertible Redeemable Debentures amounting to ₹1,421.59 crore (previous year ₹692.49 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 ₹19.94 crore (previous year ₹39.65 crore) which are 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.

c) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,251.46 crore (previous year ₹1,251.39 crore) which are secured by first pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Wandh.

d) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,300 crore (previous year ₹1,300.00 crore) which are secured by first pari-passu charge on specified assets of certain subsidiary companies' arrangements as per Debenture Trust Deed.

e) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,587.59 crore (previous year ₹1,585.88 crore) are secured by first pari-passu charge on specified assets of one of the subsidiary companies' arrangements as per Debenture Trust Deed.

f) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹876.67 crore (previous year ₹280.00 crore) are secured by first pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Mundra.

g) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,485.95 crore (previous year ₹ Nil) are secured by first pari-passu charge on fixed assets of MPT, T2 and CT2 Project located at Mundra.

h) Foreign currency loans aggregating to ₹56.83 crore (previous year ₹91.42 crore) carries interest @ 6 months Euribor plus 95 basis point. The above loan is repayable in 3 Semi-annually equal instalment from the balance sheet date. The loan is secured by exclusive charge on the Dredgers procured under the facility.

i) Foreign currency loans aggregating to ₹18.38 crore (previous year ₹35.74 crore) carries interest @ 6 months Euribor plus 75 basis point. The loan is repayable in 2 semi annually equal instalments from the balance sheet date. The loan is secured by exclusive charge on the Cranes purchased under the facility.

j) Rupee term loan amounting to ₹Nil (previous year ₹1,486.33 crore) carries interest @ 1 month Treasury Bill Rate plus spread of 2.58% which has been prepaid during the current year

k) Rupee term loan amounting to ₹472.55 crore (previous year ₹ Nil) carrying interest @ Repo Rate plus spread of 2.75%. The loan is repayable in 8 half yearly structured Instalments 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.

l) Unsecured Loan

   (i) 5 years Foreign Currency Bond of USD 500 million equivalent to ₹Nil (previous year ₹3,771.82 crore) carries interest rate at 3.95% p.a. and same has been prepaid during the current year

   (ii) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹3,617.74 crore (previous year ₹3,740.27 crore) carries interest rate at 4.00% p.a. with bullet repayment in the year 2027.

   (iii) 10 years Foreign Currency Bond of USD 750 million equivalent to ₹5,433.56 crore (previous year ₹5,620.14 crore) carries interest rate at 4.375% p.a. with bullet repayment in the year 2029.

   (iv) 5 years Foreign Currency Bond of USD 650 million equivalent to ₹4,725.26 crore (previous year ₹4,883.40 crore) carries interest rate at 3.375% p.a. with bullet repayment in the year 2024.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

14 Non-Current Borrowings (contd.)

(v) 7 years Foreign Currency Bond of USD 750 million equivalent to ₹5,447.13 crore (previous year ₹ Nil) carries interest rate at 4.20% p.a. with bullet repayment in the year 2027.

(vi) 10 years Foreign Currency Bond of USD 650 million equivalent to ₹3,618.50 crore (previous year ₹ Nil) carries interest rate at 3.10% p.a. with bullet repayment in the year 2031.

(vii) Foreign Currency Loan aggregating to ₹ Nil (previous year ₹1,204.82 crore) carries interest at 3 months Libor plus 1.25% and same has been repaid during the current year

(viii) Rupee Term Loan aggregating to ₹1.20 crore (previous year ₹3.64 crore) carries interest ranging from 4.56 % p.a. to 7.95 % p.a. repayment beginning from May 2018 and having last repayment date on November 2021.

m) loans taken by the subsidiaries includes:

(i) Foreign currency term loans from banks amounting to ₹16.18 crore (previous year ₹49.48 crore) taken by Karnavati Aviation Private Limited carries interest rate of libor plus 175 basis point. The Loan is repayable in 6 Quarterly instalments from balance sheet date. The loan is secured by hypothecation of Aircraft Legacy 650.

(ii) Foreign currency Term Loan from Banks taken by Shanti Sagar International Dredging Limited aggregating to ₹552.48 crore (previous year ₹608.18 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 ₹ 54.35 crore (Previous year ₹ Nil) carries interest in the range of LIBOR plus 0.30% .The Foreign letter of credit outstanding as at March 31, 2021 is repayable on May 21, 2021, and maturity is extended as per RBI Guidelines for Capital Good.

(iv) Foreign Letter of credit facilities taken by Adani Vizhinjam Port Private Limited of ₹118.41 crore (Previous year ₹61.41 crore) carries interest within range 1% to 1.25% for the balance usance period. The Foreign letter of credit outstanding as at March 31, 2021, ₹60.10 crore is repayable on April 19, 2021 & ₹58.31 crore is repayable on August 20, 2021, and maturity is extended as per RBI Guidelines for Capital Goods.

(v) Rupee Term Loan taken by Adani Vizhinjam Port Private Limited of ₹500 crore (previous year ₹ Nil) 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.

(vi) Loans from banks taken by The Dhamra Port Company Limited includes secured rupee term loan from banks amounting to ₹149.63 crore (previous year ₹299.26 crore) payable in 4 variable quarterly instalments upto March 2022 carries interest @ 8.00% to 8.75% p.a.

Loans from banks taken by The Dhamra Port Company Limited includes secured rupee term loan from banks amounting to ₹277.50 crore (previous year ₹ Nil) 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

14 Non-Current Borrowings (contd.)

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 ₹163.78 crore (previous year ₹213.73 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 6.00% p.a. to 8.25% p.a.

(viii) Rupee Term Loan taken by Adani Hazira Port Limited aggregating to ₹600 crore (Previous year ₹600 crore) carries Repo Rate 4% + 3.05% Spread from June 1, 2020 (Earlier HDFC Bank 3 Months MCLR Rate Plus Spread of 0.30% pa) payable in 12 consecutive quarterly Instalments commencing from July, 2021 to April 2024 . The Loan from bank is secured by first pari passu charge on the entire assets, both movable assets and immovable assets, intangible assets, current assets including receivables, both present and future. The company is in the process of creation of charge on the reporting date.

(ix) Rupee Term Loan taken by Adani Agri Logistics (Katihar) Limited aggregating to ₹28.45 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 29th 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.

(x) Rupee Term Loan taken by Adani Agri Logistics (Kannauj) Limited aggregating to ₹10.20 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 29th 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.

(xi) Rupee Term Loan taken by Adani Agri Logistics (Panipat) Limited aggregating to ₹38.70 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 29th 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 ₹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 29th 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.

(xiii) Rupee Term Loan taken by Adani Agri Logistics (Darbhanga) Limited aggregating to ₹28.24 crore (Previous year ₹ Nil) is secured by first exclusive charge on mortgage of

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

14 Non-Current Borrowings (contd.)

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 29th 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.

(xiv) Loan taken by Adinath Polyfills Private Limited aggregating to ₹2.48 crore (previous year ₹2.48 crore) from its related parties.

15 Other Financial Liabilities

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Current maturities of long term borrowings (refer note 14)	-	-	1,065.45	1,737.29
Capital creditors and retention money	87.06	104.23	1,250.03	914.62
Other payables (including discounts etc.)	-	-	290.08	279.86
Lease liabilities (refer note (a) below)	572.33	567.28	32.26	39.05
Unpaid Dividends #	-	-	1.50	1.03
Interim Dividend Payable	-	-	0.38	0.70
Interest accrued but not due on borrowings	70.49	57.96	502.16	302.97
Deposit from Customer	43.70	1.53	42.35	35.47
Financial Guarantees Obligation	6.36	3.33	3.09	1.65
Payable against Compulsory Convertible Preference Share	-	-	81.54	-
Put Option Liability	-	-	23.50	23.50
	779.94	**734.33**	**3,292.34**	**3,336.14**

Not due for credit to "Investors Education & Protection Fund"

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.

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
March 31, 2021						
Minimum Lease Payments	67.57	236.98	867.13	1,171.68	(567.09)	604.59

15 Other Financial Liabilities (contd.)

₹ 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
Finance charge allocated to future periods	35.31	134.12	397.66	567.09	-	-
Present Value of MLP	32.26	102.86	469.47	604.59	-	604.59
March 31, 2020						
Minimum Lease Payments	74.45	233.85	902.60	1,210.90	(604.57)	606.33
Finance charge allocated to future periods	35.40	135.58	433.59	604.57	-	-
Present Value of MLP	39.05	98.27	469.01	606.33	-	606.33

(b) 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 (including Current Maturities) and Interest accrued but not due	Lease Liabilities	Unpaid Dividend on Equity (including Interim dividend) and Preference Shares (including Dividend Distribution Tax)	Derivative Contract	Buyback of equity shares and expense upon buyback	Pre-mature redemption of Preference Shares	Total
April 1, 2019	**27,860.09**	**-**	**1.08**	**45.48**	**-**	**-**	**27,906.65**
Cash Flows	(1,522.35)	(13.42)	(844.62)	107.88	(1,970.72)	(12.40)	(4,255.63)
Foreign Exchange Movement	1,768.25	-	-	-	-	-	1,768.25
Adjustment due to adoption of Ind AS 116	-	619.75	-	-	-	-	619.75
Change in fair value	(13.80)	-	-	-	-	-	(13.80)
Charged to Profit and Loss	1,950.64	-	-	(153.36)	-	-	1,797.28

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

15 Other Financial Liabilities (contd.)

₹ in crore

Particulars	Borrowings (including Current Maturities) and Interest accrued but not due	Lease Liabilities	Unpaid Dividend on Equity (including Interim dividend) and Preference Shares (including Dividend Distribution Tax)	Derivative Contract	Buyback of equity shares and expense upon buyback	Pre-mature redemption of Preference Shares	Total
Charged to other equity	-	-			1,970.72	12.40	1,983.12
Dividend recognised during the year	-	-	844.57	-	-	-	844.57
Acquisition adjustment/ change in dilution of stake in subsidiary	138.59	-	-	-	-	-	138.59
Bills discounted (net)	255.30	-	-	-	-	-	255.30
March 31, 2020	**30,436.72**	**606.33**	**1.03**	**-**	**-**	**-**	**31,044.08**
Cash Flows	3,553.12	(18.10)	(0.23)	(20.94)	-	-	3,513.85
Foreign Exchange Movement	(775.95)	-	-	-	-	-	(775.95)
Adjustment due to adoption of Ind AS 116	-	16.36	-	-	-	-	16.36
Change in fair value	(11.26)	-	-	-	-	-	(11.26)
Charged to Profit and Loss	2,129.16	-	-	5.89	-	-	2,135.05
Dividend recognised during the year	-	-	0.70	-	-	-	0.70
Acquisition adjustment	315.77	-	-	-	-	-	315.77
Classified as held for sale	(60.88)						(60.88)
Bills discounted (net)	(73.24)		-	-	-	-	(73.24)
March 31, 2021	**35,513.44**	**604.59**	**1.50**	**(15.05)**	**-**	**-**	**36,104.48**

16 Other Liabilities

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Advance from customers (refer note 41)	-	-	716.01	731.91
Deposits from customers	-	-	12.40	11.34
Statutory liabilities	-	-	207.50	126.82
Unearned Income under long term land lease/ Infrastructure usage agreements	572.64	636.68	64.06	63.50
Deferred Income on fair valuation of Deposit taken	24.32	1.15	-	-
Deferred Government Grant (refer note (i) below)	430.09	432.77	13.26	12.69
Deferred Revenue for Service Line Contributions	38.74	39.07	-	-
Unearned revenue	-	-	66.44	65.91
Contract liabilities (refer note (ii) & (iii) below)	-	343.59	641.52	334.49
	1,065.79	**1,453.26**	**1,721.19**	**1,346.66**

Note:-

(i) Movement in Deferred Government Grant

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Opening Balance	445.46	449.25
Add : Addition during the year	10.84	9.64
Less : Adjustment during the year	-	(0.95)
Less: Amortisation during the year	(12.95)	(12.48)
Closing Balance	**443.35**	**445.46**

(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.

(iii) Non-Current Contract liabilities include advances received against ongoing project allocated to unsatisfied performance obligation in respect of construction of LNG Project marine infrastructure. As per the management's estimate satisfaction of performance obligation under the contract is expected after 12 months from the balance sheet date.

17 Current Borrowings

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Short term borrowing from banks - (unsecured) (refer note (d), (e) and (g(i)) below)	-	850.00
Packing Credit Rupee Loan from bank (unsecured) (refer note (b) and (c) below)	400.00	400.00
Commercial paper (Unsecured) (refer note (f) below)	-	294.12
	400.00	**1,544.12**
Customers' Bills Discounted (Unsecured) (refer note (a) below)	539.81	613.05
	939.81	**2,157.17**

Notes:

a) Factored receivables of ₹539.81 crore (previous year ₹613.05 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

17 Current Borrowings (contd.)

b) Packing Credit rupee Loan aggregating to ₹ Nil (previous year ₹400 crore) carried interest rate 6.25 % monthly payable same has been repaid during current year

c) Packing Credit rupee Loan aggregating to ₹400 crore (previous year ₹ Nil) linked to 14 day Treasury Bill and repayable in April 2021.

d) Short term loan borrowing (STL) amounting to ₹ Nil (previous year ₹400 crore) carried interest rate @ 9% monthly payable and same has been repaid during the current year.

e) Short term loan borrowing (STL) amounting to ₹ Nil (previous year ₹400 crore) carried interest rate @ 7.25% monthly payable linked to repo rate and same has been repaid during the current year.

f) Commercial Paper (CP) aggregating ₹ Nil (previous year ₹294.12 crore) carried interest rate in range of 6.64 % to 8.50 % p.a. The CP had maturity period of 1 to 6 months. Same has been repaid during the year

g) Loans taken by the subsidiaries includes:

(i) Short Term Loan taken by Adani Petronet (Dahej) Port Private Limited aggregating to ₹ Nil (previous year ₹50 crore) from bank carried interest at the rate of 7.05 % linked to 1 month repo rate had been repaid during the current year.

18 Trade and Other Payables

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Total outstanding dues of micro enterprises and small enterprises	11.50	1.96
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,002.35	726.78
	1,013.85	**728.74**
Dues to related parties included in above (refer note 31)	**57.88**	**55.16**

19 Provisions

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Provision for Employee Benefits				
Provision for gratuity (refer note 28)	18.64	3.11	1.25	4.93
Provision for compensated absences	7.07	4.64	94.48	71.94
	25.71	7.75	95.73	76.87
Other Provisions				
Provision for operational claims (refer note (a) below)	-	-	-	29.43
Provision for asset retirement obligation	0.97	0.48	-	-
	26.68	**8.23**	**95.73**	**106.30**

Note (a):

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Opening Balance	29.43	29.43
Less : Utilised / (Settled) during the year	(10.53)	-
Less:- Reversed during the year	(18.90)	-
Closing Balance	**-**	**29.43**

Operational Claims are the expected claims against outstanding receivables made/to be made by the customers towards shortages of stock, handling losses, damages to the cargo, storage and other disputes. The probability and the timing of the outflow/adjustment with regard to above depends on the ultimate settlement / conclusion with the respective customer.

20 Revenue from Operations

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Revenue from Contract with customer (refer note (a) below)		
Income from Port Operations (including Port Infrastructure Services)	11,352.75	9,667.83
Utilities Services	147.42	120.39
Aircraft Operations	23.43	27.97
Logistics Services	691.05	665.40
	12,214.65	**10,481.59**
Lease, Upfront Premium and Deferred Infrastructure Income (refer note (b) and (c) below)	210.85	285.78
Income from Export Incentive (Services Exports from India Scheme)	8.04	593.72
Other operating income	116.06	77.68
	12,549.60	**11,438.77**

Notes:

a) Reconciliation of revenue recognized with Contract Price

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Contract price	12,397.75	10,781.07
Adjustment for:		
Change in Consideration	(3.71)	(20.49)
Refund Liability	(237.45)	(270.77)
Change in value of Contract Assets	45.12	11.40
Change in value of Contract Liabilities	12.94	(19.62)
Revenue from Contract with Customer	**12,214.65**	**10,481.59**

b) The Group has given various assets on finance lease to various parties. These leases have terms ending between 11 to 30 years. The lease agreements entered are non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. All land leases include a clause to enable upward revision of the rental charge every three to five years upto 20%. The Group has also received one-time income of upfront premium ranging from ₹2300 to ₹5500 per Sq. mtr for use of common infrastructure by the parties. Such one-time income of upfront premium is non-refundable. Income of ₹21.01 crore (previous year ₹42.87 crore) including upfront premium of ₹9.32 crore (previous year ₹21.80 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. These lease arrangements range for a period between 5 and 60 years. 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:

₹ In crore

Particulars	March 31, 2021	March 31, 2020
For a period not later than one year	95.25	89.84
For a period later than one year and not later than five years	481.25	471.23
For a period later than five years	783.98	929.92
	1,360.48	**1,490.99**

The Group has recognised income from operating leases of ₹99.18 crore (previous year ₹128.86 crore)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

21 Other Income

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Interest income on		
Bank Deposits, Inter Corporate Deposits, Security Deposits etc.	1,602.16	1,585.52
Customer dues	30.35	44.32
Finance Lease	125.66	39.90
Dividend income on Non-current Investments	7.01	8.00
Net Gain on Fair value of financial instrument	12.39	48.70
Net Gain on Disposal of Associate	92.28	-
Scrap Sales	24.16	7.27
Unclaimed liabilities / excess provision written back	5.38	1.84
Financial Guarantee Income	2.71	1.52
Amortisation of Government Grant (refer note 16 (i))	12.95	12.48
Miscellaneous Income	55.18	111.80
	1,970.23	**1,861.35**

22 Operating Expenses

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Cargo handling / other charges to contractors (net of reimbursements)	1,357.46	1,202.03
Purchase of Power for Utilities Business	166.56	155.04
Customer Claims (including expected credit loss) (refer note below)	25.00	9.71
Railway's Service Charges	523.97	614.80
Tug and Pilotage Charges	49.73	47.94
Maintenance Dredging	13.01	39.07
Repairs to Plant & Equipment	125.64	69.84
Stores, Spares and Consumables	223.02	188.07
Repairs to Buildings	18.94	10.43
Power and Fuel	351.69	330.01
Waterfront Charges	244.42	280.20
Cost of Assets transferred under Finance Lease	4.20	19.80
Cargo Freight and Transportation Expenses	116.98	98.77
Aircraft Operating Expenses	9.90	11.92
Other expenses including Customs Establishment charges	7.78	6.02
Construction expenses under Service Concession Arrangements	21.19	13.61
	3,259.49	**3,097.26**

Note : Expected credit loss of ₹18.90 crore has been netted of with reversal of operational claim of ₹18.90 crore.

23 Employee Benefits Expense

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Salaries, Wages and Bonus	561.18	496.72
Contribution to Provident & Other Funds	16.46	16.69
Gratuity Expense (refer note 28)	7.73	5.53
Staff Welfare Expenses	29.68	27.58
	615.05	**546.52**

24 Finance Costs

₹ In crore

Particulars	March 31, 2021	March 31, 2020
a) Interest and Bank Charges		
Interest on		
Debentures and Bonds	1,684.60	1,167.10
Loans, Buyer's Credit etc.	316.64	663.04
Lease liabilities	48.97	40.39
Others	3.21	38.45
Bank and other Finance Charges	75.74	41.66
	2,129.16	1,950.64
b) Loss/(Gain) on Derivatives / Swap Contracts (net)	126.13	(137.50)
	2,255.29	**1,813.14**

25 Other Expenses

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Rent Expenses	11.15	6.49
Rates and Taxes	7.70	6.72
Insurance	82.36	59.52
Advertisement and Publicity	9.73	10.36
Other Repairs and Maintenance	67.93	66.82
Legal and Professional Expenses	140.15	130.32
Corporate Support Service Fees	69.94	63.74
IT Support Services	12.99	17.51
Security Services Charges	55.69	43.18
Communication Expenses	37.00	28.25
Electric Power Expenses	2.08	2.73
Travelling and Conveyance	47.05	49.14
Directors' Sitting Fee	0.61	0.51
Commission to Non-executive Directors	0.94	0.63
Charity and Donations	109.36	110.34
Diminution in value of inventories	2.49	0.16
Loss on Sale/Discard of Property, Plant and Equipment (net)	3.55	12.49
Miscellaneous Expenses	30.90	54.99
	691.62	**663.90**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

26 Income Tax

The major component of income tax expenses for the year ended March 31, 2021 and March 31, 2020 are as under :-

(i) Tax Expense reported in the Consolidated Statement of Profit and Loss

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Current Income Tax		
Current Tax Charges	1,271.51	707.49
Tax (credit) under Minimum Alternative Tax	(130.63)	(103.50)
Deferred Tax		
Relating to origination and reversal of temporary differences	102.39	(144.60)
	1,243.27	**459.39**
Tax on Other Comprehensive Income ('OCI')		
Deferred tax related to items recognised in OCI during the year		
Tax impact on re-measurement losses on defined benefit plans	(0.54)	(0.44)
Tax impact on net (Loss)/ Gains on FVTOCI Equity Investments	(13.86)	2.76
	(14.40)	**2.32**

(ii) Balance Sheet Section

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Taxes recoverable (net) (refer note 8)	630.37	513.94
Current Tax Liabilities (net)	(38.49)	(21.46)
	591.88	**492.48**

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, 2021 and March 31, 2020

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Accounting profit before Income tax	6,292.01	4,243.92
Tax Rate	34.94%	34.94%
At India's Statutory income tax rate	2,198.68	1,483.00
Add /(Less) Tax effect of:-		
Expenses not allowable under Tax Law	37.15	39.75
Deduction under chapter VI-A	(310.52)	(224.50)
Recognition of deferred tax for previous period	-	(12.63)
Income charged as per special provision of Income Tax Act, 1961	(420.68)	(323.72)
Income that is exempt from tax	(23.17)	(2.85)
Reversal of deferred tax of Gain on discontinue of associate in OCI	15.80	-
Adjustment in respect of previous years	2.32	(28.78)
MAT Credit of previous period (recognised)/derecognised	(2.64)	1.61
Deferred tax balances due to the change in income tax rate (refer footnote to 26 (iv))	(2.76)	(304.32)
Effect due to different tax rate	(27.17)	(93.97)

26 Income Tax (contd.)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Unused tax losses and tax offsets not recognised as deferred tax assets	120.52	174.97
Effect of previously unrecognised tax losses and unutilised tax credits used to reduce tax expense	(181.04)	(117.80)
Subsidiaries' charged at different tax rates	(186.51)	(133.05)
Others	23.29	1.68
Income tax reported in Statement of Profit and Loss	**1,243.27**	**459.39**
Effective tax rate	19.76%	10.82%

(iv) Deferred Tax Liability (net)

₹ In crore

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
(Liability) on Accelerated depreciation for tax purpose	(2,370.10)	(2,304.33)	(65.77)	119.43
Assets on Provision for Employee Benefits	11.51	7.67	3.84	2.59
Assets on unrealised intra-group profit	221.63	210.65	10.98	(43.37)
Liability on fair valuation gain on account of dilution of stake in Subsidiary	(109.31)	(109.31)	-	(109.31)
Assets on account of unabsorbed losses/ depreciation	1,097.57	1,133.39	(35.82)	89.90
Liability on finance lease receivables	(104.96)	(102.23)	(2.73)	(8.97)
Assets on Bond issue expenses amortization	-	-	-	(5.53)
(Liability) on Preference Share debt component*	(36.68)	(39.73)	3.05	3.12
Assets on fair valuation of Corporate and Bank Guarantee	3.37	1.74	1.63	1.31
(Liability) on Deemed Investments	(11.08)	(6.24)	(4.84)	(0.63)
(Liability) on Business Combination adjustment (refer note 38 (i)(c))	(769.77)	(178.26)	-	65.09
(Liability) on acquisition	(716.66)	-	-	-
(Liability) on SCA receivables/Intangible assets	(27.01)	(30.48)	3.47	3.66
(Liability) on Forward Mark to Market	-	-	-	19.58
(Liability) on equity investment at FVTOCI	(36.67)	(34.71)	(1.96)	(2.76)
(Liability) on CSR expense carry forward	(5.59)	-	(5.59)	-
Classified as held for sale	-	-	(2.56)	-
Forex Impact on Conversion of Foreign operations	-	-	0.88	-
Assets / (Liability) on other temporary differences	38.04	30.61	7.43	8.17
	(2,815.71)	**(1,421.23)**	**(87.99)**	**142.28**

*Reversal of Deferred Tax liability on deemed equity of preference share of ₹14.82 crore on account of change in tax rates as per note below and ₹5 crore on account of premature redemption of preference shares is adjusted to other equity in previous year.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

26 Income Tax (contd.)

Note:-

i) During the previous year, pursuant to the Taxation Law (Amendment) Act, 2019 passed by Government of India, domestic companies have the option to pay Corporate income tax rate at 22% plus applicable surcharge and cess ("New tax rate") subject to certain conditions. Based on the assessment, the Group has chosen to exercise the option of New tax rate for certain companies. Accordingly during previous year where it has chosen to exercise New tax rate, the companies have:

a) made the provision for current tax and deferred tax at the rate of 25.17%

b) written off unutilised credit for Minimum Alternate Tax aggregating to ₹8.65 crore

For rest of the companies, the Group has chosen to continue with existing tax structure until utilisation of accumulated Minimum Alternate Tax (MAT) credit.

Further, Ind-AS 12 requires deferred tax assets and liabilities to be measured using the enacted (or substantively enacted) tax rates expected to apply to taxable income in the years in which the temporary differences are expected to reverse. The Group has made estimates, based on its budget, regarding income anticipated in foreseeable future year when those temporary differences are expected to reverse and measured the same at New tax rate. Accordingly, the Group has re-measured the outstanding deferred tax balances that is expected to be reversed in future at New tax rate and an amount of ₹304.32 crore and ₹14.82 crore have been written back in the Statement of Profit and Loss and Other Equity respectively in the previous year.

ii) During the current 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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Deferred Tax Assets (net)	881.73	1,209.62
Deferred Tax Liabilities (net)	(1,203.16)	(286.97)
	(321.43)	**922.65**
Component of Deferred Tax Assets / (Liabilities)		
Tax Credit Entitlement under MAT	2,494.28	2,343.88
Less :Deferred tax liabilities (net)	(2,815.71)	(1,421.23)
	(321.43)	**922.65**

(vi) Deferred tax liabilities (net)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Tax expenses during the period recognised in Statement of Profit and Loss	102.39	(144.60)
Tax expenses during the period recognised in OCI	(14.40)	2.32
	87.99	**(142.28)**

MAT credit of ₹146.98 crore (previous year ₹105.11 crore) has been recognised in subsidiary entities Adani Petronet (Dahej) Port Private Limited, MPSEZ Utilities Limited, Marine Infrastructure Developer Private Limited and Adani Hazira Port Limited.

26 Income Tax (contd.)

(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 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	457.30	2029-30
2015-16	722.58	2030-31
2016-17	444.92	2031-32
2017-18	160.33	2032-33
2018-19	211.67	2033-34
2019-20	95.10	2034-35
2020-21	146.98	2035-36
Total	**2,494.28**	

(viii) Certain subsidiary companies have carried forward unabsorbed depreciation aggregating ₹2,753.11 crore (Previous year ₹1,497.65 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 ₹ 848.14 crore (previous year ₹497.03 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
2013-14	38.31	2021-22
2014-15	82.27	2022-23
2015-16	243.85	2023-24
2016-17	162.58	2024-25
2017-18	114.05	2025-26
2018-19	67.52	2026-27
2019-20	102.58	2027-28
2020-21	36.98	2028-29
Total	**848.14**	

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) The Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. DDT represents additional payment to taxation authority on behalf of the shareholders hence DDT paid is charged to other equity.

(x) 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

27 Earnings Per Share (EPS)

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Profit after tax	4,994.30	3,763.13
Less : Dividends on Non-Cumulative Redeemable Preference Shares and tax thereon#	-*	-*
Net profit for calculation of basic and diluted EPS	**4,994.30**	**3,763.13**

-* Figures being nullified on conversion to ₹ in crore.

'# Tax on Dividend not applicable for current year

Particulars	No.	No.
Weighted average number of equity shares in calculating basic and diluted EPS	2,03,17,51,761	2,05,12,44,657
Basic and Diluted Earnings per Share (in ₹)	**24.58**	**18.35**

28 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 ₹16.25 crore (Previous Year ₹15.99 crore) as expenses under the following defined contribution plan.

₹In crore

Contribution to	March 31, 2021	March 31, 2020
Provident Fund	16.07	15.81
Superannuation Fund	0.18	0.18
Total	**16.25**	**15.99**

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:

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Present value of the defined benefit obligation at the beginning of the year	46.36	36.39
Current service cost	7.17	5.61
Interest cost	3.78	2.80
Actuarial (gain) / loss arising from and including OCI:		
- change in demographic assumptions	(1.02)	0.31
- change in financial assumptions	0.01	3.04
- experience variance	0.55	(0.50)
Benefits paid	(6.26)	(2.02)
Liability Transfer In- Business acquisition adjustment	12.04	1.23
Liability Transfer In/(out)	(0.91)	(0.50)
Present value of the defined benefit obligation at the end of the year	61.72	46.36

28 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Fair value of plan assets at the beginning of the year	40.85	34.17
Investment income	2.83	2.60
Contributions by employer	0.35	4.31
Benefits paid	(0.77)	(0.14)
Return on plan assets , excluding amount recognised in net interest expense	(1.80)	(0.09)
Acquisition Adjustment	0.48	-*
Fair value of plan assets at the end of the year	41.94	40.85

-* Figures being nullified on conversion to ₹ in crore

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Present value of the defined benefit obligation at the end of the year	61.72	46.36
Fair value of plan assets at the end of the year	41.94	40.85
Amount recognised in the balance sheet	(19.78)	(5.51)
Net asset - Current (Refer note 7)	0.11	2.53
Net liability - Current (Refer note 19)	(1.25)	(4.93)
Net liability - Non-current (Refer note 19)	(18.64)	(3.11)

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Current service cost	7.17	5.61
Interest cost on benefit obligation	0.95	0.20
Amount capitalised	(0.39)	(0.28)
Total Expense included in employee benefits expense	7.73	5.53

v) Recognised in the other comprehensive income for the year

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Actuarial (gain)/losses arising from		
- change in demographic assumptions	(1.02)	0.31
- change in financial assumptions	0.01	3.04
- experience variance	0.55	(0.50)
Amount capitalised	-	(0.04)
Return on plan assets, excluding amount recognised in net interest expense	1.80	0.09
Recognised in other comprehensive income	1.34	2.90

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

28 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

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

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.70%	6.70%
Rate of escalation in salary (per annum)	8.00%	8.00%
Mortality	India Assured Lives Mortality (2012-14)	India Assured Lives Mortality (2012-14)
Attrition rate	9.50%	6.71%

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:

₹ In crore

Particulars	March 31, 2021	March 31, 2020
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

(₹ In crore)

Particulars	March 31, 2021		March 31, 2020	
Assumptions	Discount rate		Discount rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	(9.39)	11.58	(3.46)	3.99

(₹ In crore)

Particulars	March 31, 2021		March 31, 2020	
Assumptions	Salary Growth rate		Salary Growth rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	11.34	(9.45)	3.90	(3.46)

(₹ In crore)

Particulars	March 31, 2021		March 31, 2020	
Assumptions	Attrition rate		Attrition rate	
Sensitivity level	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Impact on defined benefit obligations	(1.36)	2.00	(1.04)	1.45

(₹ In crore)

Particulars	March 31, 2021		March 31, 2020	
Assumptions	Mortality rate		Mortality rate	
Sensitivity level	0.1 % Increase	0.1 % Decrease	0.1 % Increase	0.1 % Decrease
Impact on defined benefit obligations	(0.10)	0.10	(0.01)	0.01

28 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

ix) Maturity profile of Defined Benefit Obligation

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Weighted average duration (based on discounted cash flows)	7 years	8 years

x) The Following payments are expected contributions to the defined benefit plan in future years:

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Within the next 12 months (next annual reporting period)	9.19	4.62
Between 2 and 5 years	22.79	17.79
Between 5 and 10 years	24.78	18.88
Beyond 10 years	39.21	49.14
Total Expected Payments	**95.97**	**90.43**

The Group expects to contribute ₹12.34 crore to gratuity fund in the financial year 2021-22. (previous year ₹10.93 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)

29 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, 2021

29 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:

₹ in crore

Particulars	Port and SEZ activities	Others	Eliminations	Total
Revenue				
External Sales	11,428.85	1,120.75		12,549.60
	10,688.52	*1,184.55*		*11,873.07*
Inter-Segment Sales	76.25	92.92	(169.17)	-
	52.78	*85.59*	*(138.37)*	-
Total Revenue	11,505.10	1,213.67	(169.17)	12,549.60
	10,741.30	*1,270.14*	*(138.37)*	*11,873.07*
Results				
Segment Results	6,004.23	(28.69)		5,975.54
	5,819.89	*97.98*		*5,917.87*
Unallocated Corporate Income (Net of expenses)				813.59
				(1,530.55)
Operating Profit	6,004.23	(28.69)		6,789.13
	5,819.89	*97.98*		*4,387.32*
Less: Finance Expense				2,255.29
				1,813.14
Add: Interest Income				1,758.17
				1,669.74
Profit before tax				6,292.01
				4,243.92
Tax Expense				1,243.27
				459.39
Profit after tax				5,048.74
				3,784.53
Less: Non-controlling interests				54.44
				21.40
Net profit				4,994.30
				3,763.13

29 Segment Information (contd.)

₹ in crore

Particulars	Port and SEZ activities	Others	Eliminations	Total
Other Information				
Segment Assets	60,971.38	6,452.88		67,424.26
	52,112.35	*3,738.55*		*55,850.90*
Unallocated Corporate Assets				7,899.52
				6,352.77
Total Assets				75,323.78
				62,203.67
Segment Liabilities	5,960.59	492.84		6,453.43
	5,324.47	*323.81*		*5,648.28*
Unallocated Corporate Liabilities				36,773.62
				30,712.31
Total liabilities				43,227.05
				36,360.59
Capital Expenditure during the year	1,837.16	116.35		1,953.51
	3,133.48	*487.93*		*3,621.41*
Segment Depreciation and amortisation	1,955.99	151.35		2,107.34
	1,545.43	*134.85*		*1,680.28*
Major Non-Cash Expenses other than Depreciation and amortisation (net)	36.96	-		36.96
	84.17			*84.17*
Unallocated Major Non-Cash Expenses other than Depreciation and amortisation (net)				(729.14)
				1,709.73

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, 2021	For the year ended March 31, 2020	As at March 31, 2021	As at March 31, 2020
1	India	11,990.72	11,357.27	53,366.30	37,781.53
2	Outside India	558.88	515.80	1,061.19	902.97

There is no transaction with single external customer which amounts to 10% or more of the Group's revenue.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

30 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary companies as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2021	Proportion of Ownership Interest (%) March 31, 2020
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)	India	100	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
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	India	49	49
25	Adinath Polyfills Private Limited	India	100	100
26	Mundra International Gateway Terminal Private Limited	India	100	100
27	Adani International Terminals Pte. Limited	Singapore	100	100
28	Blue Star Realtors Private Limited	India	100	100

30 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary companies as at year end is as follows: (contd.)

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2021	Proportion of Ownership Interest (%) March 31, 2020
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	Adani Mundra Port Holding Pte. Limited	Singapore	100	100
32	Adani Mundra Port Pte. Limited	Singapore	100	100
33	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 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 (incorporated on July 31, 2019)	India	100	100
59	Dhamra Infrastructure Private Limited (formerly known as Welspun Orissa Steel Private Limited) (acquired on April 22, 2019)	India	100	100
60	Adani Logistics Services Private Limited (formerly known as Innovative B2B Logistics Solutions Private Limited) (acquired on August 06, 2019)	India	98.29	98.29

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

30 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary companies as at year end is as follows: (contd.)

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2021	Proportion of Ownership Interest (%) March 31, 2020
61	Adani Noble Private Limited (formerly known as Noble Tradecon Private Limited) (acquired on August 06, 2019)	India	98.29	98.29
62	Adani Forwarding Agent Private Limited (formerly known as B2B Forwarding Agent Private Limited) (acquired on August 06, 2019)	India	98.29	98.29
63	Adani Cargo Logistics Private Limited (formerly known as B2B Innovative Cargo Private Limited) (acquired on August 06, 2019)	India	98.29	98.29
64	Adani Logistics Infrastructure Private Limited (formerly known as Minion Infrastructure Private Limited) (acquired on August 06, 2019)	India	98.29	98.29
65	Bowen Rail Operations Pte Limited (incorporated on December 11, 2019)	Singapore	100	100
66	Adani Pipelines Private Limited (incorporated on December 12, 2019)	India	100	100
67	Bowen Rail Company Pty Limited (incorporated on December 16, 2019)	Australia	100	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	75	N.A.
70	Adani Krishnapatnam Container Terminal Private Limited (Formerly known as Navayuga Container Terminal Private Limited) (acquired on October 01, 2020)	India	75	N.A.
71	Adani KP Agriwarehousing Private Limited (Formerly known as KP Agriwarehousing Company Private Limited) (acquired on October 01, 2020)	India	48	N.A.
72	Dighi Port Limited (acquired on February 15, 2021)	India	100	N.A.
73	Adani Logistics International Pte. Limited (incorporated on July 13, 2020)	Singapore	100	N.A.
74	Aqua Desilting Private Limited (incorporated on February 19, 2021)	India	100	N.A.
75	Shankheshwar Buildwell Private Limited (acquired on March 30, 2021)	India	100	N.A.
76	Sulochana Pedestal Private Limited (acquired on March 31, 2021)	India	100	N.A.
77	NRC Limited (acquired on March 31, 2021)	India	100	N.A.

30 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary companies as at year end is as follows: (contd.)

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, 2021	Proportion of Ownership Interest (%) March 31, 2020
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 (incorporated on October 22, 2019) #	India	50	50
7	Dighi Roha Rail Limited (acquired on February 15, 2021)	India	50	N.A.

These companies are subsidiaries of Adani Total Private Limited

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, 2021

31 Related Party Disclosures

Related parties with whom transactions have taken place.

Joint Venture Entities	Adani International Container Terminal Private Limited
	Adani CMA Mundra Terminal Private Limited
	Adani NYK Auto Logistics Solutions Private Limited
	Adani Total Private Limited ("ATPL") (w.e.f December 31, 2019)
	Dhamra LNG Terminal Private Limited (Subsidiary of ATPL) (w.e.f December 31, 2019)
Key Management Personnel and their relatives	Mr. Gautam S. Adani - Chairman and Managing Director
	Mr. Rajesh S. Adani - Director and Brother of Mr. Gautam S. Adani
	Mr. Karan G. Adani - Chief Executive Officer and son of Mr. Gautam S. Adani
	Dr. Malay Mahadevia - Wholetime Director
	Prof. G. Raghuram - Non-Executive Director
	Mr. Sanjay S. Lalbhai - Non-Executive Director (upto August 08, 2019)
	Ms. Radhika Haribhakti - Non-Executive Director (Upto March 31, 2020)
	Mr. Mukesh Kumar - Non-Executive Director (upto May 22, 2020)
	Ms. Nirupama Rao - Non-Executive Director (w.e.f April 22, 2019)
	Mr. Bharat Sheth - Non-Executive Director (w.e.f October 15, 2019)
	Mr. Palamadai Sundararajan Jayakumar (w.e.f July 23, 2020)
	Mrs. Avantika Singh Aulakh (w.e.f September 15, 2020)
	Mr. Gopal Krishna Pillai - Non-Executive Director
	Mr. Deepak Maheshwari - Chief Financial Officer
	Mr. Kamlesh Bhagia - Company Secretary
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	Abbot Point Port Holdings Pte Limited, Singapore
	Adani Foundation
	Adani Properties Private Limited
	Delhi Golf Link Properties Private Limited
	Adani Townships and Real Estate Company Private Limited
	Mundra Port Pty Limited, Australia
	Adani Infrastructure and Developers Private Limited
	Adani Mundra SEZ Infrastructure Private Limited
	Shanti Builders
	Adani Bunkering Private Limited
	Adani Enterprises Limited
	Adani Green Energy Limited
	Adani Green Energy (UP) Limited
	Adani Total Gas Limited
	Adani Global FZE
	Adani Infra (India) Limited
	Adani Road Transport Limited
	Adani Infrastructure Management Services Limited
	Adani Power Dahej Limited

31 Related Party Disclosures (contd.)

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	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
	Kutchh Power Generation 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
	Adani Global Pte Limited, Singapore
	Adani Renewable Energy (KA) Limited
	Parampujya Solar Energy Private 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
	Adani Renewable Energy (RJ) Limited
	Adani Sportsline Private Limited
	Raigarh Energy Generation Limited
	Prayatna Developers Private Limited
	Udupi Power Corporation Limited
	North West Rail Pty Limited
	Mundra Synenergy Limited
	Raipur Energen Limited
	Prayagraj Water Private Limited
	Adani Cementation Limited
	Adani Agri Fresh Limited
	Bailadila Iron Ore Mining Private Limited
	Gare Palma II Collieries Private Limited
	Gare Pelma III Collieries Limited
	Kurmitar Iron Ore Mining Private Limited
	Sarguja Rail Corridor Private Limited
	Adani Solar Energy Kutchh Two Private Limited

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

31 Related Party Disclosures (contd.)

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	Adani Ahmedabad International Airport Limited
	Adani Solar USA Inc., USA
	Adani Mangaluru International Airport Limited
	Adani Lucknow International Airport Limited
	Adani Airport Holdings Limited
	Adani Agri Fresh 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

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, 2021, 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	With Other Entities*	Key Management Personnel and their relatives
1	Income from Port Services / Other Operating Income	March 31, 2021	557.50	1109.98	-
		March 31, 2020	438.52	1,199.66	-
2	Sale of Non Financial Assets	March 31, 2021	-	162.57	-
		March 31, 2020	-	584.18	-
3	Lease including Infrastructure Usage Income/ Upfront Premium (Includes Reversal)	March 31, 2021	16.60	96.66	-
		March 31, 2020	16.82	94.86	-
4	Interest Income on loans/ deposits/deferred accounts receivable	March 31, 2021	88.19	64.34	-
		March 31, 2020	100.40	77.86	-
5	Purchase of Spares and consumables, Power & Fuel	March 31, 2021	0.37	42.58	-
		March 31, 2020	0.02	130.43	-
6	Recovery of expenses (Reimbursement)	March 31, 2021	50.08	5.78	-
		March 31, 2020	78.94	-*	-
7	Services Availed (including reimbursement of expenses)	March 31, 2021	5.91	149.36	-
		March 31, 2020	4.71	120.58	-
8	Rent charges paid	March 31, 2021	-	12.04	-
		March 31, 2020	-	8.25	-

31 Related Party Disclosures (contd.)

₹ In crore

Sr No	Particulars	For the Year Ended	With Joint Ventures	With Other Entities*	Key Management Personnel and their relatives
9	Sales of Scrap and other Miscellaneous Income	March 31, 2021	4.26	46.35	-
		March 31, 2020	2.85	48.24	-
10	Loans Given	March 31, 2021	-	-	-
		March 31, 2020	100.00	0.10	-
11	Loans Received back	March 31, 2021	496.68	1.85	-
		March 31, 2020	368.00	1.50	-
12	Loans Taken	March 31, 2021	-	60.88	-
		March 31, 2020	-	-	-
13	Advance / Deposit Given	March 31, 2021	-	42.95	-
		March 31, 2020	-	51.60	-
14	Advance / Deposit Received Back	March 31, 2021	-	145.75	-
		March 31, 2020	137.43	-*	-
15	Investment in equity/preference shares	March 31, 2021	23.77	-	-
		March 31, 2020	-	-	-
16	Purchase of Subsidiaries	March 31, 2021	-	2,234.98	-
		March 31, 2020	-	-	-
17	Donation	March 31, 2021	-	26.38	-
		March 31, 2020	-	70.11	-
18	Sale of assets	March 31, 2021	2.19	-	-
		March 31, 2020	-	-	-
19	Purchase of property/asset/land use rights	March 31, 2021	2.02	17.00	-
		March 31, 2020	-	39.96	-
20	Remuneration #				
	Short-term employee benefits	March 31, 2021	-	-	21.09
		March 31, 2020	-	-	21.01
	Other long-term benefits	March 31, 2021	-	-	0.05
		March 31, 2020	-	-	0.01
	post-employment benefits	March 31, 2021	-	-	0.87
		March 31, 2020	-	-	1.36
21	Commission to Director	March 31, 2021	-	-	1.00
		March 31, 2020	-	-	1.00
22	Commission to Non-Executive Director	March 31, 2021	-	-	0.94
		March 31, 2020	-	-	0.63
23	Sitting Fees	March 31, 2021	-	-	0.38
		March 31, 2020	-	-	0.38

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

31 Related Party Disclosures (contd.)

₹ In crore

Sr No	Particulars	For the Year Ended	With Joint Ventures	With Other Entities*	Key Management Personnel and their relatives
24	Corporate Guarantee Given	March 31, 2021	USD 70 Mn	-	
			199.00		
		March 31, 2020	USD 120.35 Mn	-	

-* 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.

(B) Balances with Related Parties

₹ In crore

Sr No	Particulars	For the Year Ended	With Joint Ventures	With Other Entities*	Key Management Personnel and their relatives
1	Trade Receivable (net of bills discounted, refer note 5 (c))	March 31, 2021	59.97	676.26	-
		March 31, 2020	149.93	918.57	-
2	Loans	March 31, 2021	819.26	-	-
		March 31, 2020	1,332.37	1.85	-
3	Capital Advances	March 31, 2021	-	26.99	-
		March 31, 2020	0.09	21.99	-
4	Trade Payable (including provisions)	March 31, 2021	2.37	55.50	-
		March 31, 2020	2.64	52.52	-
5	Advances and Deposits from Customer/ Sale of Assets	March 31, 2021	0.54	12.84	-
		March 31, 2020	4.04	11.48	-
6	Other Financial & Non-Financial Assets	March 31, 2021	190.12	721.12	-
		March 31, 2020	180.83	874.08	-
7	Other Financial & Non-Financial Liabilities	March 31, 2021	343.63	83.14	-
		March 31, 2020	343.59	53.42	-
8	Borrowings	March 31, 2021	-	60.88	-
		March 31, 2020	-	-	-
9	Corporate Guarantee	March 31, 2021	USD 190.91 Mn 159.26	-	-
		March 31, 2020	USD 102.40 Mn	-	-

* 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:

a) 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 ₹859.59 crore).

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.

32 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, 2021	As at March 31, 2020	
Forward Contract	USD 9 Million	USD 140.07 Million	Hedging of foreign currency borrowing principal & interest liability
	USD 40 Million	USD 46 Million	Hedging of foreign currency borrowing principal liability of USD against JPY
Foreign Currency - INR Full Currency Swap	-	USD 111.38 Million	Hedging of currency and interest rate risk of foreign currency borrowing

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

Nature	As at March 31, 2021		As at March 31, 2020	
	Amount (₹ In crore)	Foreign Currency (in Million)	Amount (₹ In crore)	Foreign Currency (in Million)
Foreign Currency Loan	16.18	USD 2.21	196.88	USD 26.02
	654.63	EUR 76.34	766.35	EUR 92.59
Buyer's Credit	172.76	JPY 2,613.00	61.41	JPY 882.00
Trade Payables and Other Current Liabilities	58.18	USD 7.96	153.99	USD 20.35
	9.02	EUR 1.05	17.03	EUR 2.06
	54.35	JPY 822	-	-
	0.13	SGD 0.02	0.26	SGD 0.05
	0.09	AUD 0.02	-	-
	0.01	GBP #	0.01	GBP #
Interest accrued but not due	102.85	USD 14.07	137.80	USD 18.21
	1.27	EUR 0.15	1.57	EUR 0.19
	0.42	JPY 6.34	0.04	JPY 0.56
Balances with Bank	-	-	0.30	USD 0.04
Trade Receivable	1.46	USD 0.20	2.41	USD 0.32
	0.02	EUR #	-	USD 0.00
Other Receivable	-	-	5.26	AUD 1.14
	69.32	USD 9.48	50.82	USD 6.72
	0.38	EUR 0.04	0.06	EUR 0.01
	-	-	0.03	JPY 0.40
Foreign Currency Bond	23,029.65	USD 3,150.00	17,316.88	USD 2,288.63
Loan Given	365.70	USD 50.02	503.55	USD 66.55

Figures being nullified on conversion to foreign currency in million.

* Figures being nullified on conversion to ₹ in crore.

₹ In crore

Closing rates as at :	March 31, 2021	March 31, 2020
INR / USD	73.11	75.67
INR / EUR	85.75	82.77
INR / GBP	100.75	93.50
INR / JPY	0.66	0.70
INR / AUD	55.70	46.08
INR / SGD	54.35	53.03
INR / BDT	0.86	0.89

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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

33.1 Category-wise Classification of Financial Instruments:

₹ 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
Financial Assets					
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 debt instrument of joint venture entity	4 (b)	-	71.59	-	71.59
Investments in unquoted Mutual Funds	10	-	212.74	-	212.74
Investments in unquoted Debentures and Government Securities	4	-	-	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
Derivatives Instruments	7	-	15.05	-	15.05
Other Financial Assets	7	-	-	5,618.47	5,618.47
Total		**369.24**	**299.38**	**16,336.50**	**17,005.12**
Financial Liabilities					
Borrowings (including the bills discounted and current maturities)	14,15,17	-	-	34,940.79	34,940.79
Trade Payables	18	-	-	1,013.85	1,013.85
Financial Guarantee given	15	-	-	9.45	9.45
Lease Liabilities	15	-	-	604.59	604.59
Other Financial Liabilities	15	-	-	2,392.79	2,392.79
Total		**-**	**-**	**38,961.47**	**38,961.47**

₹ in crore

Particulars	Refer Note	As at March 31, 2020			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial Assets					
Cash and cash equivalents	11	-	-	7,195.46	7,195.46
Bank balances other than cash and cash equivalents	11	-	-	125.30	125.30

33 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

₹ in crore

Particulars	Refer Note	As at March 31, 2020			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Investments in Equity Shares (other than investment in Joint Venture Entities and associate entity)	4 (b)	278.76	-	-	278.76
Investment in debt instrument of joint venture entity	4 (b)	-	61.34	-	61.34
Investments in unquoted Mutual Funds	10	-	11.89	-	11.89
Trade Receivables (including bill discounted)	5	-	-	3,202.14	3,202.14
Loans	6	-	-	3,117.25	3,117.25
Derivative Instruments	7	-	120.24	-	120.24
Other Financial Assets	7	-	-	5,918.71	5,918.71
Total		**278.76**	**193.47**	**19,558.86**	**20,031.09**
Financial Liabilities					
Borrowings (including the bills discounted and current maturities)	14,15,17	-	-	30,075.79	30,075.79
Trade Payables	18	-	-	728.74	728.74
Financial Guarantee given	15	-	-	4.98	4.98
Lease Liabilities	15	-	-	606.33	606.33
Other Financial Liabilities	15	-	-	1,721.87	1,721.87
Total		**-**	**-**	**33,137.71**	**33,137.71**

Note:- Investments in joint ventures, accounted using equity method, amounting to ₹649.53 crore (previous year ₹826.01 crore) are not included in above tables.

33.2 Fair Value Measurements:

(a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities:

₹ in crore

Particulars	As at March 31, 2021			As at March 31, 2020		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
Financial Assets						
Investment in unquoted Equity Investments measured at FVTOCI (refer note 4)	-	369.24	369.24	-	278.76	278.76

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

33 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

₹ in crore

Particulars	As at March 31, 2021			As at March 31, 2020		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
Investment in debt instrument of joint venture entity (refer note 4)	71.59	-	71.59	61.34	-	61.34
Investments in unquoted Mutual Funds measured at FVTPL (refer note 10)	212.74	-	212.74	11.89	-	11.89
Derivative Instruments (refer note 7)	15.05	-	15.05	120.24	-	120.24
Total	**299.38**	**369.24**	**668.62**	**193.47**	**278.76**	**472.23**
Financial Liabilities	-	-	-	-	-	-

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.

(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, 2021 and March 31, 2020 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, 2021 : 11.63% - 18.50% (15.07%) March 31, 2020 : 12.99% - 18.50% (15.55%)	1% increase would result in decrease in fair value by ₹6.02 crore as of March 31, 2021 (₹ 13.70 crore as of March 31, 2020)

(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.

33 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

33.3 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 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, 2021 and March 31, 2020.

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, 2021. The analysis exclude the

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

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

(contd.)

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, 2021 and March 31, 2020.

(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, 2021 would decrease / increase by ₹17.68 crore (for the year ended March 31, 2020 : decrease / increase by ₹25.74 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), 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.

33 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, 2021	March 31, 2020	March 31, 2021	March 31, 2020
USD Sensitivity				
₹/USD - Increase by 1%	(227.54)	(170.52)	(227.54)	(170.52)
₹/USD - Decrease by 1%	227.54	170.52	227.54	170.52
EURO Sensitivity				
₹/EURO - Increase by 1%	(5.89)	(6.58)	(5.89)	(6.58)
₹/EURO - Decrease by 1%	5.89	6.58	5.89	6.58
GBP Sensitivity				
₹/GBP - Increase by 1%	-*	-*	-*	-*
₹/GBP - Decrease by 1%	-*	-*	-*	-*
SGD Sensitivity				
₹/SGD - Increase by 1%	-*	-*	-*	-*
₹/SGD - Decrease by 1%	-*	-*	-*	-*
JPY Sensitivity				
₹/JPY- Increase by 1%	(2.28)	(0.61)	(2.28)	(0.61)
₹/JPY - Decrease by 1%	2.28	0.61	2.28	0.61
AUD Sensitivity				
₹/AUD- Increase by 1%	-	0.05	-	0.05
₹/AUD - Decrease by 1%	-	(0.05)	-	(0.05)

-* 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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

33 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data.

Credit risk from balances with banks, financial institutions and other counter parties is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's 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.

Corporate Guarantees given to banks and financial institutions against credit facilities availed by the joint venture entities ₹1,555.06 crore (Previous year ₹ 774.76 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 17% revenue (previous year 15%) from such customers and with some of these customers, the group has long term cargo contracts. Receivables from such customer constitute 51% of total trade receivables (previous year 46%). 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 Value
As at March 31, 2021						
Borrowings (including the bills discounted)	14,15,17	2,010.50	10,650.61	22,535.31	35,196.42	34,940.79
Interest Payments	15	1,667.76	5,738.37	2860.57	10,266.70	572.65
Trade Payables	18	1,013.85	-	-	1,013.85	1,013.85
Financial Guarantees given	15	3.09	6.36	-	9.45	9.45
Lease Liabilities	15	67.57	236.98	867.13	1,171.68	604.59
Other Financial Liabilities	15	1,689.38	130.76	-	1,820.14	1,820.14
Total		**6,452.15**	**16,763.08**	**26,263.01**	**49,478.24**	**38,961.47**

33 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
As at March 31, 2020						
Borrowings (including the bills discounted)	14,15,17	3,907.35	13,085.91	13,297.09	30,290.35	30,075.79
Interest Payments	15	1,414.01	4,149.28	1,997.47	7,560.76	360.93
Trade Payables	18	728.74	-	-	728.74	728.74
Financial Guarantees given	15	1.65	3.33	-	4.98	4.98
Lease Liabilities	15	74.45	233.85	902.60	1,210.90	606.33
Other Financial Liabilities	15	1,255.18	105.76	-	1,360.94	1,360.94
Total		**7,381.38**	**17,578.13**	**16,197.16**	**41,156.67**	**33,137.71**

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 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.

33.4 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.

₹ In crore

Particulars	March 31, 2021	March 31, 2020
Total Borrowings (refer note 14,15 and 17) (including the bills discounted)	34,940.79	30,075.79
Less: Cash and bank balance & Investments in Mutual Fund (refer note 10,11)	5,002.94	7,332.65
Net Debt (A)	**29,937.85**	**22,743.14**
Total Equity (B)	30,628.26	25,623.49
Total Equity and Net Debt (C = A + B)	60,566.11	48,366.63
Gearing ratio	**49%**	**47%**

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, 2021 and March 31, 2020.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

34 Capital Commitments and other commitments

(i) Capital Commitments

Estimated amount of contracts (net of security deposits amounting to ₹ 2,922.85 crore (previous year ₹ 2,682.45 crore) included in note 7 and advances) remaining to be executed on capital account and not provided for ₹13,063.65 crore (previous year ₹12,939.92 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, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Adani International Container Terminal Private Limited	50.00%	24.97%	-	25.03%
Adani Vizhinjam Port Private Limited	70.00%	-	30.00%	-
The Dhamra Port Company Limited	21.00%	-	30.00%	30.00%

b) Contract/ Commitment for purchase of certain supplies. Advance given ₹231.20 crore (previous year ₹356.95 crore).

c) The subsidiary companies have imported capital goods for its Container and Multipurpose Port Terminal Project under the EPCG Scheme at concessional rate of custom duty by undertaking obligation to export. Future outstanding export obligation under the scheme is ₹1,144.57 crore (previous year ₹1,025.26 crore) which is equivalent to 6 to 8 times of duty saved ₹186.93 crore (previous year ₹167.04 crore) . The export obligation has to be completed by 2021-22 to 2026-27.

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 ₹36.68 crore paid towards the land classified as capital advance respectively. As at March 31, 2021, the AHPL does not have physical possession of the said land, although it has contractual right in the said land parcels. The management represent 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 ₹14.46 crore till March 31, 2021.

35 Contingent Liabilities not provided for

₹ In crore

Sr. No	Particulars	March 31, 2021	March 31, 2020
a	Bank Guarantees and Letter of Credit facilities availed by the joint venture entities and other group company against credit facilities sanctioned to the company.	0.66	859.59
b	Bank Guarantees given to government authorities and bank (also includes DSRA bank guarantees given to Bank on behalf of subsidiaries and erstwhile subsidiaries.)	352.83	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	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	Customs department notice for wrongly availing duty benefit exemption under DFCEC Scheme on import of equipment. The Company has filed its reply to the show cause notice with Deputy Commissioner of Customs, Mundra and since, no action was taken by Deputy Commissioner of Customs, Company filed petition before Gujarat High Court requesting to quash the show cause notice on the ground of delayed adjudication. High Court vide judgment dated 26.02.2021 quashed & set aside the show cause notice as a result of which there is no liability against the company.	-	0.25
f	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). (refer note (q) below)	32.63	32.63

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

35 Contingent Liabilities not provided for (contd.)

₹ In crore

Sr. No	Particulars	March 31, 2021	March 31, 2020
g	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
h	Commissioner of Customs, Ahmedabad has demanded vide letter no.4/Comm./SIIB/2009 dated 25/11//2009 for recovery of penalty in connection with import of Air Craft which is owned by Karnavati Aviation Private Limited (Formerly 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 demand order, the management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognized in the books of accounts.	2.00	2.00
i	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
j	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
k	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. (refer note (q) below)	20.92	16.16
l	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

35 Contingent Liabilities not provided for (contd.)

₹ In crore

Sr. No	Particulars	March 31, 2021	March 31, 2020
m	Various matters of subsidiaries companies pending with Income Tax Authorities.	4.43	5.71
n	Claims not acknowledged as debts.	47.74	3.94
o	Matter of some of the subsidiary companies pending with Food Corporation of India relating to fulfillment of Condition Precedents as per concession agreement.	-	2.43
p	The Company's tax assessments is completed till assessment year 2016-17, pending appeals with High Court/Supreme Court for Assessment Year 2008-09 to AY 2010-11, Appellate Tribunal for Assessment Year 2011-12 to 2016-17. During the year, the Company has received a favourable order from CIT(Appeals) for Assessment Year 2013-14 to 2016-17. During the previous year, the Company has received a favourable order from CIT (Appeals) for Assessment Year 2012-13. The management is reasonably confident that no liability will devolve on the Company	125.81	125.81

q During the previous Financial Year, an Amnesty Scheme, Sabka Vishwas Legacy Dispute Resolution Scheme has been introduced by the Central Government to settle pending litigations under Central Excise & Service Tax Law. Any Tax amount payable under the Scheme is required to be paid by cash and cannot be paid by utilizing the ITC balance and litigations once settled under this Scheme shall never be reopened from either side. The Group had opted for the said scheme and accordingly the Group has settled pending litigations amounting to ₹112.69 crore in previous year (including SCNs received in the previous year ₹22.80 crore).

r Matter of one of the acquired subsidiary company pending with Central Warehousing Corporation amounting to ₹10.14 crore in respect of which previous promoter has agreed to indemnify the Group in case of any liability arises out the same.

s During the year ended on March 31, 2021, Adani Ennore Container Terminal 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 mediation 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 were due to reasons beyond control of the Company 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 sub judice.

t During the 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, 2021

36 Interest in a joint Venture Entities

The Company holds 50% interest in Adani International Container Terminal Private Limited, Adani CMA Mundra Terminal Private Limited and Adani Total Private Limited respectively and 51% in Adani NYK Auto Logistics Solutions Private Limited, joint venture entities incorporated in India.

(A) Summarised Balance Sheet and Statement of Profit and Loss of these entities are as below:

₹ In crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Share Capital and Other Equity	(2.01)	(161.35)	567.21	155.73
Non-current Liabilities	1,556.05	1,384.31	2,623.83	2,968.18
Current Liabilities	392.97	847.35	708.54	988.22
Non-current Assets	1,802.84	1,934.68	3,699.79	3,863.45
Current Assets	144.17	135.63	199.79	248.68
Revenue	566.44	466.68	1,214.88	938.06
Operating Expenses	(135.91)	(118.02)	(270.12)	(221.59)
Terminal Royalty Expenses	(63.60)	(55.62)	(223.43)	(161.77)
Employee Benefit Expenses	(7.47)	(7.80)	(13.88)	(14.02)
Depreciation and Amortisation Expense	(124.32)	(128.11)	(243.70)	(243.15)
Foreign Exchange (loss)/Gain (net)	41.80	(106.45)	147.36	(255.71)
Finance Costs	(104.89)	(138.75)	(137.97)	(224.81)
Other Expenses	(12.78)	(10.20)	(30.83)	(29.77)
Profit / (Loss) before tax	**159.27**	**(98.27)**	**442.31**	**(212.76)**
Income-tax expense	-	-	(30.92)	(63.44)
Profit / (Loss) after tax	**159.27**	**(98.27)**	**411.39**	**(276.20)**
Other Comprehensive income	0.07	(0.10)	0.09	(0.13)
Total Comprehensive Income	**159.34**	**(98.37)**	**411.48**	**(276.33)**
Capital and Other Commitments	**2.90**	**5.65**	**7.40**	**11.04**
Contingent liability not accounted for	**-**	**-**	**11.38**	**11.38**

₹ In crore

Particulars	Adani NYK Auto Logistics Solutions Private Limited		Adani Total Private Limited (Consolidated)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Share Capital and Other Equity	4.07	5.17	693.02	669.00
Non-current Liabilities	22.74	11.55	2,837.61	1,387.79
Current Liabilities	5.27	4.13	336.36	190.97
Non-current Assets	27.96	15.63	3,517.02	2,073.82
Current Assets	4.12	5.22	349.97	173.94
Revenue	15.91	2.81	385.29	2.74
Operating Expenses	(14.34)	(2.51)	(390.61)	-
Employee Benefit Expenses	-	-	(4.09)	(1.66)
Depreciation and Amortisation Expense	(1.73)	(0.51)	(0.26)	(0.01)
Foreign Exchange (loss)/Gain (net)	-	-	0.23	1.52
Finance Costs	(1.06)	(0.34)	(9.26)	(7.03)

36 Interest in a joint Venture Entities (contd.)

₹ In crore

Particulars	Adani NYK Auto Logistics Solutions Private Limited		Adani Total Private Limited (Consolidated)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Other Expenses	(0.02)	(0.02)	(8.55)	(4.91)
Profit / (Loss) before tax	**(1.24)**	**(0.57)**	**(27.25)**	**(9.35)**
Income-tax expense	0.15	(0.14)	0.24	1.96
Profit / (Loss) after tax	**(1.09)**	**(0.71)**	**(27.01)**	**(7.39)**
Other Comprehensive income	-		4.73	(34.36)
Total Comprehensive Income	**(1.09)**	**(0.71)**	**(22.28)**	**(41.75)**
Capital and Other Commitments	**-**	**-**	**1,693.32**	**2,557.09**
Contingent liability not accounted for	**-**	**-**	**-**	**-**

(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, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Net assets of joint venture entities	(2.01)	(161.35)	567.21	155.73
Proportion of Group's share	50%	50%	50%	50%
Group's share	(1.00)	(80.67)	283.61	77.86
Elimination from intra-group transactions	1.00	80.67	(283.61)	(77.86)
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, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Net assets of joint venture entities	4.07	5.17	693.02	669.00
Proportion of Group's share	51%	51%	50%	50%
Group's share	2.08	2.64	346.51	334.50
Fair valuation adjustment	-	-	300.89	293.89
Elimination from intra-group transactions/adjustments	-	-	-	3.83
Carrying amount of Group's interest (refer note 4(a))	2.08	2.64	647.40	632.22

(C) Unrecognised share of losses

₹ In crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Unrecognised share of loss for the year	(79.67)	49.19	(205.74)	138.16
Cumulative shares of loss	60.40	140.07	61.87	267.61

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

36 Interest in a joint Venture Entities (contd.)

₹ In crore

Particulars	Adani NYK Auto Logistics Solutions Private Limited		Adani Total Private Limited (Consolidated)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Unrecognised share of loss for the year	-	-	-	-
Cumulative shares of loss	-	-	-	-

37 Disclosure of subsidiaries having material non-controlling interest

(i) Summarised Statement of Profit and loss

₹ In crore

Particulars	Adani Krishnapatnam Port Limited
Revenue	967.62
Profit for the period	3.23
Other Comprehensive Loss	(43.02)
Total Comprehensive Loss	(39.79)
Effective % of non-controlling interest	25%
Loss allocated to non-controlling interest	(9.95)
Dividend to non-controlling interest	-

(ii) Summarised Balance Sheet

₹ In crore

Particulars	Adani Krishnapatnam Port Limited
Non-current Assets	8,489.61
Current Assets	1,244.57
Total Assets	**9,734.18**
Current Liabilities	677.53
Non-current Liabilities	6,938.63
Total Liabilities	**7,616.16**
Net Assets	**2,118.02**
Accumulated non-controlling interest	529.51

(iii) Summarised Statement of Cash Flow

₹ In crore

Particulars	Adani Krishnapatnam Port Limited
Cash Flow from Operating Activities	495.45
Cash Flow from Investing Activities	(379.05)
Cash Flow from Financing Activities	(127.55)
Net Increase/(Decrease) in cash and cash equivalents	(11.15)

38 Business Combinations and acquisitions during the year

(i) 1) On October 01, 2020, the Group has acquired 75% equity shares of Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) along with its subsidiaries ("Krishnapatnam"), entities engaged in the business of Port Operations. Further, Group is in the process of making a final determination of fair values of the identified assets and liabilities for the purpose of purchase price allocation. Pending this, the business combination has been accounted based on provisional fair valuation report. Identified assets, liabilities and contingent liabilities as on the date of acquisition are as mentioned below.

2) On February 15, 2021, the Group has completed the acquisition of 100% stake in 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 has incurred a cost of ₹54.71 crore towards the payment of CIRP cost. The Group is in the process of making a final determination of fair values of the identified assets and liabilities for the purpose of purchase price allocation. Pending this, the business combination has been accounted based on provisional fair valuation report. Identified assets, liabilities and contingent liabilities as on the date of acquisition are as mentioned below.

The fair value of the identifiable assets and liabilities as at the date of acquisition were:

₹ In crore

Particulars	Krishnapatnam	DPL
Assets		
Property, Plant and Equipment	8,180.27	649.73
Right-of-Use Assets	2.32	76.80
Capital work in progress	95.68	-
Intangible Assets	3,792.00	-
Investments	72.04	0.05
Investments held for sale (refer note 39 (ii))	135.12	-
Other non-current financial/non-financial assets	78.92	1.78
Inventories	64.85	-
Trade Receivables	133.99	0.49
Cash and Bank Balances	65.15	8.15
Loans	64.76	-
Other current financial/non-financial assets	315.42	0.29
Total Assets	**13,000.52**	**737.29**
Liabilities		
Long term Provisions	13.82	3.43
Other non-current financial/non-financial liabilities	66.87	0.15
Trade Payables	698.34	0.17
Other current financial/non-financial liabilities	399.41	1.88
Short term Provisions	1.43	-
Deferred Tax liability (refer note (c) below)	852.97	-
Total Liabilities	**2,032.84**	**5.63**
Total Identifiable Net Assets at fair value	**10,967.68**	**731.66**
Purchase Consideration paid		
- For Equity Share	3,395.00	1.00
- For Preference Share	924.50	-
- For Borrowings	6,203.09	704.71
	10,522.59	**705.71**
Non-Controlling Interests	**1,194.88**	**-**
Goodwill/(Capital Reserve) arising on acquisition	**749.79**	**(25.95)**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

38 Business Combinations and acquisitions during the year (contd.)

Note:-

(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 ₹591.51 crore, arising on business combination, adjusted in Goodwill as per Ind AS - 12 Income Taxes.

(d) From the date of acquisition, Adani Krishnapatnam Port Limited including its subsidiaries have contributed ₹996.52 crore and ₹216.61 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 ₹1898.66 crore and the loss before tax to the group would have been ₹532.24 crore respectively. The company also acquired certain PPE amounting to ₹398.19 crore as part of transaction post acquisition of KPCL.

(e) From the date of acquisition, Dighi Port Limited have contributed ₹1.24 crore and ₹11.73 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 ₹8.40 crore and the loss before tax to the group would have been ₹2,632.18 crore respectively.

(ii) During the year ended March 31, 2021, Company's subsidiary has acquired 100% equity stake of Shankheshwar Buildwell Private Limited and Sulochana Pedestal Private Limited on March 30, 2021 and March 31, 2021 respectively which own land parcels in Gujarat and Maharashtra respectively, from a related party. The acquisition does not constitute a business combination and hence has been accounted for as an asset acquisition.

(iii) As on March 31, 2020, Adani Logistics Limited ("ALL"), a wholly owned subsidiary of Adani Ports and Special Economic Zone Limited ("APSEZL") held 26% shareholding in Snowman Logistics Limited ("Snowman") and was accounted as Associate. During the year, Snowman ceased to be an associate entity of the Group and the balance investments in Snowman was accounted for at FVTOCI in accordance with the applicable Accounting Standards. ALL disposed off entire shareholding in Snowman and transferred FVTOCI balance to retained earnings.

39 Assets classified as held for sale

i) During the year, the Company's subsidiary has entered into a Share Transfer Deed for sale of investments in Bowen Rail Operation Pte Ltd (BRO) which is subject to approval of regulatory authorities amongst other conditions. Accordingly Consolidated major assets and liabilities of this entity which includes:- Capital Work-in-progress ₹288.93 crore, Cash and Cash Equivalent ₹2.93 crore, Other assets ₹13.59 crore, Borrowing ₹60.88 crore. Deferred Tax liability ₹2.68 crore and other liabilities ₹50.98 crore are classified as held for sale.

ii) During the year, the group has completed the acquisition of 75% stake in Krishnapatnam Port Company Limited ("KPCL") (now known as Adani Krishnapatnam Port Limited ("AKPL")) and obtained the control on October 01, 2020 from its erstwhile promoters with equity consideration of ₹3,395 crore. The combined enterprise value of AKPL including business assets is ₹12,000 crore. The assets 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 ₹49.41 crore are included under Assets classified as held for sale.

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, 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
Parent Company								
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
Subsidiary Companies								
Indian								
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)
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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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 (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 Gateway Terminal 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 Private 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
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)

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 (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 (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 Agri Logistics (Borivali) 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)
Adani Krishnapatnam Container Terminal Private Limited*	0.03%	13.73	0.10%	5.33	-0.26%	0.14	0.10%	5.47

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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 (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 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%	-
Foreign								
Abbot Point Operations Pty Limited (Consolidated)	0.18%	88.43	0.45%	23.88	0.00%	-	0.46%	23.88
Adani Mundra Port Pte. Limited	0.00%	(0.09)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Adani Abbot Port Pte. Limited	0.00%	(0.09)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Adani International Terminals Pte Limited	-0.09%	(43.98)	-0.53%	(28.19)	0.00%	-	-0.54%	(28.19)
Adani Mundra 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)
Non-controlling interest	-2.91%	(1,468.47)	-1.03%	(54.44)	-0.82%	0.44	-1.03%	(54.00)
Joint Venture Entities								
Indian								
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

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 (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 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
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%	-
Associate Entity								
Indian								
Snowman Logistics Limited (refer note 38(iii))	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sub total	**100%**	**50,524.49**	**100%**	**5,279.89**	**100%**	**(53.70)**	**100%**	**5,226.19**
CFS Adjustments and Eliminations		(19,896.23)		(285.59)		38.22		(247.37)
Total	**100%**	**30,628.26**	**100%**	**4,994.30**	**100%**	**(15.48)**	**100%**	**4,978.82**

-* 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, 2021

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 (contd.)

₹ In crore

Name of entity	As at and for the year ended March 31, 2020							
	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
Parent Company								
Adani Ports and Special Economic Zone Limited	52.13%	19,865.17	47.16%	1,934.25	-81.25%	11.31	47.60%	1,945.56
Subsidiary Companies								
Indian								
The Adani Harbour Services Limited	8.75%	3,335.84	33.99%	1,394.20	0.22%	(0.03)	34.11%	1,394.17
Adani Hazira Port Limited	7.22%	2,752.13	16.92%	693.91	3.30%	(0.46)	16.96%	693.45
Adani Logistics Limited	11.11%	4,232.56	2.92%	119.94	-0.50%	0.07	2.94%	120.01
The Dhamra Port Company Limited	6.41%	2,444.27	6.67%	273.67	1.65%	(0.23)	6.69%	273.44
Adani Petronet (Dahej) Port Private Limited	2.30%	875.35	1.89%	77.72	12.72%	(1.77)	1.86%	75.95
Shanti Sagar International Dredging Limited	0.95%	360.51	0.93%	38.34	0.07%	(0.01)	0.94%	38.33
Adani Murmugao Port Terminal Private Limited	-0.58%	(220.00)	-2.34%	(96.13)	0.22%	(0.03)	-2.35%	(96.16)
Adani Vizag Coal Terminal Private Limited	-0.57%	(218.15)	-1.06%	(43.59)	0.00%	-*	-1.07%	(43.59)
Adani Warehousing Services Private Limited	0.01%	4.46	-0.02%	(0.86)	0.00%	-	-0.02%	(0.86)
Adani Hospitals Mundra Private Limited	0.01%	3.99	-0.02%	(0.64)	-0.07%	0.01	-0.02%	(0.63)
Mundra International Airport Private Limited	0.01%	5.52	-0.02%	(0.82)	0.00%	-	-0.02%	(0.82)
Mundra Sez Textile And Apparel Park Private Limited	-0.07%	(28.37)	-0.10%	(4.17)	0.00%	-	-0.10%	(4.17)
Adinath Polyfills Private Limited	0.00%	(1.43)	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
MPSEZ Utilities Limited	0.25%	96.96	0.26%	10.69	0.22%	(0.03)	0.26%	10.66
Adani Ennore Container Terminal Private Limited	-0.18%	(67.86)	-2.98%	(122.42)	0.43%	(0.06)	-3.00%	(122.48)
Adani Vizhinjam Port Private Limited	0.47%	177.52	-0.34%	(13.85)	0.00%	-	-0.34%	(13.85)
Adani Kattupalli Port Limited	0.06%	21.06	0.07%	2.73	0.00%	-	0.07%	2.73

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 (contd.)

₹ In crore

Name of entity	As at and for the year ended March 31, 2020							
	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
Karnavati Aviation Private Limited	0.45%	172.66	-0.23%	(9.56)	0.65%	(0.09)	-0.24%	(9.65)
Hazira Infrastructure Limited	0.07%	25.89	0.02%	0.79	0.00%	-	0.02%	0.79
Mundra International Gateway Terminal Private Limited	0.00%	0.03	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Mundra Crude Oil Terminal Private Limited	0.00%	0.04	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Marine Infrastructure Developer Private Limited	5.30%	2,020.25	2.30%	94.39	0.65%	(0.09)	2.31%	94.30
Blue Star Realtors Private Limited	0.63%	240.77	-0.07%	(2.77)	0.00%	-	-0.07%	(2.77)
Madurai Infrastructure Private Limited	0.60%	228.70	-0.13%	(5.21)	0.00%	-	-0.13%	(5.21)
Dholera Port And Special Economic Zone Limited	-0.01%	(3.09)	-0.01%	(0.27)	0.00%	-	-0.01%	(0.27)
Adani Kandla Bulk Terminal Private Limited	-1.19%	(451.55)	-3.08%	(126.24)	0.57%	(0.08)	-3.09%	(126.32)
Dholera Infrastructure Private Limited	-0.01%	(3.71)	-0.01%	(0.32)	0.00%	-	-0.01%	(0.32)
Adani Agri Logistics Limited	1.31%	499.19	0.56%	23.06	1.51%	(0.21)	0.56%	22.85
Adani Agri Logistics (MP) Limited	0.00%	0.35	-0.02%	(0.79)	0.07%	(0.01)	-0.02%	(0.80)
Adani Agri Logistics (Harda) Limited	0.00%	1.39	0.00%	(0.04)	0.00%	-*	0.00%	(0.04)
Adani Agri Logistics (Hoshangabad) Limited	0.00%	1.04	-0.01%	(0.57)	0.00%	-*	-0.01%	(0.57)
Adani Agri Logistics (Satna) Limited	0.00%	1.04	0.00%	(0.08)	0.07%	(0.01)	0.00%	(0.09)
Adani Agri Logistics (Ujjain) Limited	0.01%	3.79	-0.01%	(0.30)	0.07%	(0.01)	-0.01%	(0.31)
Adani Agri Logistics (Dewas) Limited	0.01%	2.60	-0.01%	(0.34)	0.00%	-*	-0.01%	(0.34)
Adani Agri Logistics (Katihar) Limited	0.04%	13.76	-0.03%	(1.30)	0.00%	-	-0.03%	(1.30)
Adani Agri Logistics (Kotkapura) Limited	0.01%	3.13	0.00%	(0.15)	0.07%	(0.01)	0.00%	(0.16)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

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 (contd.)

₹ In crore

Name of entity	As at and for the year ended March 31, 2020							
	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	0.09%	35.90	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Panipat) Limited	0.13%	50.76	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Moga) Limited	0.03%	9.64	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Adani Agri Logistics (Mansa) Limited	0.02%	6.81	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Bathinda) Limited	0.01%	4.00	0.00%	0.02	0.00%	-	0.00%	0.02
Adani Agri Logistics (Barnala) Limited	0.03%	10.68	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
Adani Agri Logistics (Nakodar) Limited	0.02%	9.22	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Adani Agri Logistics (Raman) Limited	0.02%	8.26	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Adani Agri Logistics (Dahod) Limited	0.00%	0.38	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Borivali) Limited	0.00%	0.24	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Dhamora) Limited	0.00%	0.24	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Samastipur) Limited	0.04%	13.39	0.00%	0.02	0.00%	-	0.00%	0.02
Adani Agri Logistics (Darbhanga) Limited	0.07%	26.02	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Dermot Infracon Private Limited	0.36%	135.94	0.00%	(0.15)	0.00%	-	0.00%	(0.15)
Dhamra Infrastructure Private Limited	0.08%	29.77	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Adani Tracks Management Services Private Limited	0.00%	0.05	0.00%	-*	0.00%	-	0.00%	-*
Adani Logistics Services Private Limited	0.65%	249.12	0.35%	14.55	1.65%	(0.23)	0.35%	14.32
Adani Noble Private. Limited	-0.03%	(10.84)	0.01%	0.48	0.00%	-	0.01%	0.48
Adani Forwarding Agent Private Limited	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Cargo Logistics Private Limited	0.00%	0.92	0.00%	(0.01)	0.00%	-	0.00%	(0.01)

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 (contd.)

₹ In crore

Name of entity	As at and for the year ended March 31, 2020							
	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 Infrastructure Private Limited	0.00%	0.91	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Pipelines Private Limited	0.00%	0.05	0.00%	-*	0.00%	-	0.00%	-*
Adani Total Private Limited (subsidiary till December 31, 2019)	0.00%	-	0.83%	34.11	0.00%	-	0.83%	34.11
Dhamra LNG Terminal Private Limited (subsidiary till December 31, 2019)	0.00%	-	0.00%	(0.16)	72.63%	(10.11)	-0.25%	(10.27)
Total Adani Fuels Marketing Private Limited (subsidiary till December 31, 2019)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign								
Abbot Point Operations Pty Limited	-0.01%	(3.34)	0.16%	6.36	0.00%	-	0.16%	6.36
Abbot Point Bulkcoal Pty Limited	0.18%	68.87	0.95%	38.77	0.00%	-	0.95%	38.77
Adani Mundra Port Pte. Limited	0.00%	(0.06)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Adani Abbot Port Pte. Limited	0.00%	(0.06)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Adani International Terminals Pte Limited	-0.04%	(14.21)	-0.30%	(12.13)	0.00%	-	-0.30%	(12.13)
Adani Mundra Port Holding Pte Limited	0.00%	(0.04)	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Adani Bangladesh Ports Private Limited	0.00%	0.46	0.00%	-	0.00%	-	0.00%	-
Adani Yangon International Terminal Company Limited	1.30%	495.06	0.00%	-	0.00%	-	0.00%	-
Bowen Rail Operations Pte Limited	0.00%	0.02	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Bowen Rail Company Pty Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

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 (contd.)

₹ In crore

Name of entity	As at and for the year ended March 31, 2020							
	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
Non-controlling interest	-0.58%	(219.59)	-0.52%	(21.40)	-3.16%	0.44	-0.51%	(20.96)
Joint Venture Entities								
Indian								
Adani International Container Terminal Private Limited	0.20%	77.86	-3.37%	(138.06)	0.72%	(0.10)	-3.38%	(138.16)
Adani CMA Mundra Terminal Private Limited	-0.21%	(80.67)	-1.20%	(49.13)	0.43%	(0.06)	-1.20%	(49.19)
Adani NYK Auto Logistics Solutions Private Limited	0.01%	2.64	-0.01%	(0.36)	0.00%	-	-0.01%	(0.36)
Adani Total Private Limited	0.97%	369.34	-0.09%	(3.56)	0.00%	-	-0.09%	(3.56)
Dhamra LNG Terminal Private Limited	1.13%	431.87	-0.01%	(0.41)	87.07%	(12.12)	-0.31%	(12.53)
Total Adani Fuels Marketing Private Limited	0.00%	0.02	0.00%	-*	0.00%	-	0.00%	-
Sub total	**100%**	**38,105.43**	**100%**	**4,101.56**	**100%**	**(13.92)**	**100%**	**4,087.64**
CFS Adjustments and Eliminations		(12,481.94)		(338.43)		50.98		(287.45)
Total	**100%**	**25,623.49**	**100%**	**3,763.13**	**100%**	**37.06**	**100%**	**3,800.19**

-* 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 previous 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, 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 revenue or expenses have been recorded till March 31, 2021.

42 a) 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 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.

(b) During the previous year, Adani Murmugao Port Terminal Private Limited ("AMPTPL") had provided ₹58.63 crore as provision for revenue share on deemed storage income based on our best estimates, pending conclusion of AMPTPL's arbitration with Murmugao Port Trust ("MPT") for recovery of revenue share on deemed storage income. The same is shown under exceptional item in the previous year ended March 31, 2020.

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 Kandla Bulk Terminal Private Limited ("AKBTPL") amounting to ₹737.02 crore and Adani Murmugao Port Terminal Private Limited ("AMPTPL") amounting to ₹305.60 crore. AKBTPL has received relaxation in the form of rationalisation on revenue share on storage income from the authorities in accordance with guidelines from Ministry of Shipping ("MoS"). AMPTPL has received relief in terms of rationalised tariff on storage charges from authorities for financial year 2019-20. In developing cash flow projections, the management has considered the benefit arising from the relaxation received / expected to be received from the authorities in form of rationalisation of revenue share from storage income in accordance with guidelines issued by Ministry Of Shipping in Financial Year 2019-20. The Management has made various estimates relating to cargo traffic, port tariffs, inflation, discount rates, revenue share, COVID-19 impact on income etc. which are reasonable over the entire concession period. On a careful evaluation of the aforesaid factors, the Management of the Company has concluded that the recoverable amount of Property, Plant and Equipment and Intangible Assets is higher than their carrying amounts as at March 31, 2021. Hence, no provision for impairment is considered necessary at this stage. The eventual outcome of the impact of the global health pandemic as well as the actual cargo traffic and port tariffs, considering the long period, may be different from those estimated as on the date of approval of these financial statements.

44 During the previous year, on fulfilment of condition precedent of the agreement dated April 29, 2019 between Total Holdings SAS and the Group; the Group has recorded fair value gain of ₹434.30 crore, arising from infrastructure development of Port and LNG infrastructure at Dhamra, from erstwhile subsidiary Dhamra LNG Terminal Private Limited.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2021

45 Impairment testing of Goodwill

Goodwill acquired through acquisitions and business combinations pertains to following Cash Generating Units (CGUs).

₹ In crore

Particulars	As at March 31, 2021	As at March 31, 2020
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	2.24	1.85
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 (i))	749.79	-
Goodwill relating to Merger of Adani Port Limited	44.86	44.86
Total	**4,036.43**	**3,286.25**

Notes:

The goodwill is tested for impairment annually and as at March 31, 2021, 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 ₹4,036.43 crore (net of DTL ₹3,257.97 crore) to exceed its recoverable amount.

46 Adani Vizhinjam Port Private Limited ("AVPPL") 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. During the current year and earlier years, 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 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 authorities' rights to terminate the CA on completion of extendable COD date, 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 respectively on the matter w.e.f. February 05, 2021 and February 25, 2021 respectively. The first procedural hearing on the arbitration matters held on March 13, 2021 wherein terms of arbitration and course of action has been discussed and agreed between the parties and the matter is presently sub judice.

As at reporting date, pending resolution of disputes with the VISL authorities and arbitration proceedings 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 represent that the project development is progress with revised timelines which has to be agreed with authorities and during the year, AVPPL received acknowledgment on achievement of Milestone III as per the terms of the CA from the Authorities on November 30, 2020. The Ministry of Environment & Forests (MoEF) has also extended validity of the Environmental Clearance from January 2019 to January 2024 on the proposal of VISL. As per management commitment to develop the project, on February 02, 2021, AVPPL has availed additional Equity Funding of ₹697.04 crore from Adani Ports and Special Economic Zone Limited ("APSEZ") to meet the requirement of Equity Funding as per the Approved Financial Package and on February 08, 2021 AVPPL has also availed term loan disbursement from Bank of ₹500 crore for funding for the Project development. 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 there will not be any significant financial impact of the disputes which is required to be considered in the financial statements for the year ended March 31, 2021.

47 Pursuant to BOO agreement with Food Corporation of India (FCI), the subsidiary company Adani Agri Logistics Limited ("AALL") developed a Field Depot at Bandel, District Hooghly in the state of West Bengal ("Hooghly depot") with storage capacity of 25,000 MT. For this purpose, AALL had entered into a lease agreement for land with Eastern Railways. The land was taken on lease from Eastern Railway for an initial period of four years with the anticipation that it would be renewed periodically. The AALL constructed warehousing facility ('Silos') along with Railway Siding on this leasehold land and started movement and distribution of food grains on behalf of FCI at this location.

After completion of four years of lease agreement, the AALL approached Eastern Railways for renewal of lease period. In the meantime, Eastern Railway kept on giving permission to handle rakes and the operations in Bandel continued till 2014. However, Eastern Railways did not renew lease agreement by citing a cabinet note which barred permanent construction of a commercial establishment on railway land. Consequently, it stopped rake movement of the AALL in March 2014. As the AALL was unable to transport food grains at this depot, FCI stopped making

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

payment of revenues for this depot. Considering the uncertainty involved in ultimate recovery, the AALL had not recognized revenues for the year ended March 31, 2021. Similarly, such charges do not form part of any other disclosure of notes forming part of consolidated financial statements.

In order to resolve the issue and get the lease agreement renewed, the AALL had filed a writ petition before Kolkata High Court on 15.12.2016. The High Court, vide its order dated 04.01.2017, had asked Eastern Railways to resolve the matter amicably. However, Eastern Railways did not renew lease period again and therefore, the AALL had filed second writ petition before Kolkata High Court on April 24, 2017.

While the matter was pending with Kolkata High Court, the AALL approached Ministry of Consumer Affairs, Food & Public Distribution, GOI and requested them to take up the matter with Ministry of Railway, whereby Railway could lease out the land with structures/ assets to FCI as there is a policy in Railway that permits leasing out Railway land to a Government entity/ PSU. Accordingly, Minister of Consumer Affairs, Food & Public Distribution took up the matter with the Minister of Railway, who got the matter examined in Railway Board and issued directions that the land can be given on lease to FCI on long term basis provided AALL clears all the dues towards Eastern Railway and FCI takes over the ownership of Bandel depot.

As a result of these directions and discussion with Railway, the AALL had withdrawn the writ petition against Eastern Railway and cleared all dues towards them. The AALL has also submitted its consent to transfer the ownership of Bandel depot to FCI so as to clear the way to resume the operations at Bandel.

Consequent to suspension of operations in Bandel (Hooghly), FCI had unilaterally decided to reduce the Guaranteed Tonnage in Kaithal (2 lakh MT) in proportion to Guarantee Tonnage of Hooghly (66700 MT). The AALL is in discussion on the matter with FCI to resolve it amicably. In case no resolution is arrived at, the AALL will seek remedy in the Arbitration on this particular matter.

The process of leasing out the land by Eastern Railway to FCI is in progress. FCI has communicated with Railway in this regard. Formal meetings have also taken place between FCI and Railway. The AALL expects that the matter would be resolved as both FCI and Eastern Railway have agreed to the mutually arrived at solution for serving procurement, storage and distribution of food grains into Public Distribution System and other welfare schemes of the Govt. of India under National Food Security Act.

Current Status:- In order to fulfill Railway's condition of transfer of ownership from AALL to FCI, a Sale Agreement was drafted jointly by FCI and FCI, wherein it was proposed that AALL will sell the assets situated in Bandel to FCI at a notional value of ₹1, so that FCI becomes owner of the depot and Railway could grant the land lease to FCI. AALL will operate the unit on the same terms & conditions that were stipulated in the original Service Agreement. The said Sale Agreement is under process in FCI and Railway. The Company expects that the matter would be resolved positively and Bandel depot will get operational in due course of time. Consequent to suspension of operations in Bandel (Hooghly), FCI had unilaterally decided to reduce the Guaranteed Tonnage in Kaithal (2 lakh MT) in proportion to Guarantee Tonnage of Hooghly (66700 MT). The Company will take up the matter with FCI or refer it to Arbitration after the Bandel depot gets operationalized.

48 The subsidiary company Adani Agri Logistics Limited ("AALL") had entered into an Agreement with FCI on 28.06.2005 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. The 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 28.09.2013. 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 28.09.2013 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 28.09.2013. 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, which is currently ongoing. AALL has 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 28.09.2013 as "Operations Date", the 20 years' Concession Period should be fixed from 2013 till 2033.

Accordingly, the matter is being heard by the Arbitration Panel comprising of three Arbitrators. Arbitral Award is likely to be pronounced this year.

Current status -

1. Arguments from the Claimant i.e., AALL have been heard by the Tribunal in consecutive hearings concluded on March 09, 2021.
2. Arguments from Respondent i.e., FCI shall begin on April 14, 2021 and will last till April 17, 2021.
3. The adjudication is expected by July 31, 2021.

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 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"). The said Scheme is effective upon approval of shareholders, creditors, Hon'ble National Company Law Tribunal and other regulatory and statutory approvals as applicable.

b) On March 03, 2021, the Group has announced that it will be acquiring stake of 31.50% in Gangavaram Port Limited ("GPL") from existing shareholder of GPL subject to necessary regulatory approvals. The Group has completed acquisition of 31.50% equity stake of GPL on April 16, 2021. On March 13, 2021, the Group has announced that it will be acquiring controlling stake of 58.10% in GPL from existing shareholders of GPL subject to necessary regulatory approvals.

51 Company's subsidiary in Myanmar has signed a contract for setting up a greenfield project i.e. an International Container Terminal, in Yangon, Myanmar in May 2019 and has invested USD 127 million on the project upto March 31, 2021. The Company continues to estimate the feasibility of this project to be viable. However, in light of the Military coup in Myanmar and sanctions imposed by the United States on Myanmar Economic Corporation, the Company has obtained US based counsel's view on its legal compliance position (which confirms that there is no legal non-compliance) and is proactively approaching the Office of Foreign Assets Control (OFAC) of US Department of Treasury operations, to make sure that it is not in violation of the sanctions due to the recent developments. Company is also in touch with Indian embassy in Myanmar to ensure safety of the employees.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2021

52 The Group's management has made assessment of likely impact from the COVID-19 pandemic on business and financial risks based on internal and external sources. The Group has also considered the possible effects of COVID-19 on the carrying amounts of its financial and non-financial assets and debt covenants using reasonably available information, estimates and judgments and has determined that none of these balances require a material adjustment to their carrying values. Further, the management does not see any medium to long term risks in the ability of the Group to meet its liabilities as and when they fall due. Other Expenses for the year ended March 31, 2021 includes contributions of ₹80 crore towards COVID-19 pandemic.

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 Group. Hence, the disclosure is not applicable.

54 Events occurred after the Balance Sheet Date

i) The Group has entered into share purchase agreement on April 4, 2021 to acquire balance 25% equity stake of the Adani Krishnapatnam Port Limited from its erstwhile promoters.

ii) The Group has completed acquisition of 31.50% equity stake of Gangavaram Port Limited on April 16, 2021.

iii) 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).

iv) The Board of Directors of the Company has recommended Equity dividend of ₹5 per equity share (previous year ₹ Nil) on 2,041,751,761 equity shares.

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

Deepak Maheshwari
Chief Financial Officer

Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : May 04, 2021

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	2020-21	INR	57.69	4,648.43	4,955.27	249.14	-	1,407.67	1,432.25	1,370.24	0.04	1,370.29	-	100%
2	Adani Hazira Port Limited	2020-21	INR	715.47	2,839.25	5,748.14	2,193.42	-	1,287.28	827.53	802.42	0.17	802.60	-	100%
3	Adani Logistics Limited	2020-21	INR	655.00	5,468.07	6,600.98	477.91	347.08	655.49	137.22	110.66	(20.45)	90.22	-	100%
4	The Dhamra Port Company Limited	2020-21	INR	1,148.00	4,145.65	7,623.22	2,329.57	-	1,489.18	476.29	392.32	0.06	392.38	-	100%
5	Adani Petronet Dahej Port Private Limited	2020-21	INR	346.15	614.44	1,074.57	113.98	20.78	292.31	88.31	86.81	(1.57)	85.24	-	74%
6	Shanti Sagar International Dredging Limited	2020-21	INR	135.05	714.88	1,461.08	611.15	-	754.42	490.60	489.47	(0.05)	489.42	-	100%
7	Adani Murmugao Port Terminal Private Limited	2020-21	INR	115.89	(375.74)	428.43	688.28	-	95.73	(39.89)	(39.89)	0.04	(39.85)	-	100%
8	Adani Vizag Coal Terminal Private Limited	2020-21	INR	101.28	(357.73)	238.96	495.41	-	5.89	(38.32)	(38.32)	0.01	(38.31)	-	100%
9	Adani Warehousing Services Private Limited	2020-21	INR	0.05	3.14	14.06	10.87	-	21.29	(1.27)	(1.27)	-	(1.27)	-	100%
10	Adani Hospitals Mundra Private Limited	2020-21	INR	0.30	3.00	5.07	1.77	-	7.14	(0.74)	(0.73)	0.02	(0.72)	-	100%
11	Mundra International Airport Private Limited	2020-21	INR	3.50	0.47	5.27	1.30	-	1.59	(1.56)	(1.56)	-	(1.56)	-	100%
12	Mundra Sez Textile And Apparel Park Private Limited	2020-21	INR	4.91	(37.07)	44.52	76.69	-	5.40	(3.79)	(3.79)	-	(3.79)	-	55%
13	Adinath Polyfills Private Limited	2020-21	INR	0.12	(1.63)	1.26	2.77	-	-	(0.08)	(0.08)	-	(0.08)	-	100%
14	MPSEZ Utilities Limited	2020-21	INR	13.14	106.75	179.05	59.17	-	203.32	24.10	22.90	0.02	22.92	-	100%
15	Adani Ennore Container Terminal Private Limited	2020-21	INR	192.00	185.06	877.22	500.16	0.01	89.40	(55.04)	(55.04)	(0.03)	(55.08)	-	100%
16	Adani Vizhinjam Port Private Limited	2020-21	INR	897.00	(30.45)	3,248.59	2,382.04	212.73	-	(8.01)	(8.01)	-	(8.01)	-	100%
17	Adani Kattupalli Port Limited	2020-21	INR	0.05	22.74	52.12	29.34	-	16.07	2.50	1.72	-	1.72	-	100%
18	Karnavati Aviation Private Limited	2020-21	INR	45.00	134.44	254.16	74.72	-	57.39	6.77	6.77	-*	6.77	-	100%
19	Hazira Infrastructure Limited	2020-21	INR	24.20	2.37	758.69	732.12	-	-	0.92	0.68	-	0.68	-	100%
20	Mundra International Gateway Terminal Private Limited	2020-21	INR	0.05	(0.02)	0.03	-*	-	-	-*	-*	-	-*	-	100%
21	Mundra Crude Oil Terminal Private Limited	2020-21	INR	0.05	(0.01)	0.04	-*	-	-	-*	-*	-	-*	-	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
22	Marine Infrastructure Developer Private Limited	2020-21	INR	400.00	1,661.99	2,423.29	361.30	0.01	214.45	62.07	42.05	(0.30)	41.75	-	97%
23	Blue Star Realtors Private Limited	2020-21	INR	6.91	233.75	240.74	0.08	-	-	(0.20)	(0.20)	-	(0.20)	-	100%
24	Madurai Infrastructure Private Limited	2020-21	INR	0.05	228.65	228.72	0.01	-	-	0.01	0.01	-	0.01	-	100%
25	Dholera Port And Special Economic Zone Limited	2020-21	INR	1.61	(5.00)	0.17	3.55	-	-	(0.30)	(0.30)	-	(0.30)	-	100%
26	Adani Kandla Bulk Terminal Private Limited	2020-21	INR	120.05	(399.85)	838.38	1,118.17	-	170.11	(78.26)	(78.26)	0.02	(78.24)	-	100%
27	Dholera Infrastructure Private Limited	2020-21	INR	0.01	(4.07)	0.08	4.14	-	-	(0.35)	(0.35)	-	(0.35)	-	100%
28	Adani Agri Logistics Limited	2020-21	INR	99.83	406.00	752.29	246.46	-	80.02	(0.49)	(2.84)	0.08	(2.76)	-	100%
29	Adani Agri Logistics (MP) Limited	2020-21	INR	1.00	(0.82)	15.91	15.73	-	1.43	(0.17)	(0.17)	-*	(0.17)	-	100%
30	Adani Agri Logistics (Harda) Limited	2020-21	INR	1.00	0.54	16.01	14.48	-	1.01	0.15	0.15	-*	0.15	-	100%
31	Adani Agri Logistics (Hoshangabad) Limited	2020-21	INR	1.00	0.40	15.75	14.36	-	1.30	0.36	0.35	-*	0.35	-	100%
32	Adani Agri Logistics (Satna) Limited	2020-21	INR	1.00	0.04	15.30	14.25	-	1.02	-*	-*	-*	-*	-	100%
33	Adani Agri Logistics (Ujjain) Limited	2020-21	INR	1.00	3.02	12.55	8.53	-	1.36	0.23	0.22	0.01	0.23	-	100%
34	Adani Agri Logistics (Dewas) Limited	2020-21	INR	1.00	2.11	14.08	10.96	-	1.45	0.51	0.51	-*	0.51	-	100%
35	Adani Agri Logistics (Katihar) Limited	2020-21	INR	1.00	(4.73)	60.21	63.93	-	17.55	(2.96)	(3.01)	-	(3.01)	-	100%
36	Adani Agri Logistics (Kotkapura) Limited	2020-21	INR	1.00	2.49	22.85	19.36	-	0.75	0.39	0.35	-*	0.35	-	100%
37	Adani Agri Logistics (Kannauj) Limited	2020-21	INR	1.00	35.70	49.12	12.41	-	-	0.04	(0.01)	-	(0.01)	-	100%
38	Adani Agri Logistics (Panipat) Limited	2020-21	INR	1.00	(1.48)	67.83	68.32	-	-	(0.64)	(0.64)	-	(0.64)	-	100%
39	Adani Agri Logistics (Moga) Limited	2020-21	INR	1.00	5.66	7.16	0.50	-	-	(0.04)	(0.08)	-	(0.08)	-	100%
40	Adani Agri Logistics (Mansa) Limited	2020-21	INR	1.00	2.86	3.86	0.01	-	-	(0.02)	(0.04)	-	(0.04)	-	100%
41	Adani Agri Logistics (Bathinda) Limited	2020-21	INR	1.00	(0.95)	0.06	0.01	-	-	(1.03)	(1.04)	-	(1.04)	-	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
42	Adani Agri Logistics (Barnala) Limited	2020-21	INR	1.00	6.71	7.71	0.01	-	-	(0.01)	(0.06)	-	(0.06)	-	100%
43	Adani Agri Logistics (Nakodar) Limited	2020-21	INR	1.00	5.23	6.24	0.01	-	-	-*	(0.04)	-	(0.04)	-	100%
44	Adani Agri Logistics (Raman) Limited	2020-21	INR	1.00	4.16	5.17	0.01	-	-	(0.07)	(0.10)	-	(0.10)	-	100%
45	Adani Agri Logistics (Dahod) Limited	2020-21	INR	0.05	(0.07)	-*	0.03	-	-	(2.72)	(2.72)	-	(2.72)	-	100%
46	Adani Agri Logistics (Borivali) Limited	2020-21	INR	0.05	(0.06)	-*	0.01	-	-	(0.16)	(0.17)	-	(0.17)	-	100%
47	Adani Agri Logistics (Dhamora) Limited	2020-21	INR	0.05	5.62	5.90	0.23	-	3.64	(0.04)	(0.04)	-	(0.04)	-	100%
48	Adani Agri Logistics (Samastipur) Limited	2020-21	INR	0.05	(0.08)	20.78	20.82	-	-	(0.29)	(0.29)	-	(0.29)	-	100%
49	Adani Agri Logistics (Darbhanga) Limited	2020-21	INR	0.05	(0.18)	29.97	30.09	-	-	(0.45)	(0.45)	-	(0.45)	-	100%
50	Dermot Infracon Private Limited	2020-21	INR	0.01	135.92	135.96	0.04	-	-	(0.18)	(0.18)	-	(0.18)	-	100%
51	Dhamra Infrastructure Private Limited	2020-21	INR	50.11	(20.27)	29.85	0.01	-	-	(0.07)	(0.07)	-	(0.07)	-	100%
52	Adani Tracks Management Services Private Limited	2020-21	INR	0.05	-*	0.05	-*	-	-	-*	-*	-	-*	-	100%
53	Adani Logistics Services Private Limited	2020-21	INR	183.01	120.12	336.87	33.73	-	192.11	53.98	53.98	0.04	54.02	-	98.29%
54	Adani Noble Private Limited	2020-21	INR	0.05	19.11	19.22	0.06	-	0.63	(0.13)	(0.13)	-	(0.13)	-	98.29%
55	Adani Forwarding Agent Private Limited	2020-21	INR	0.05	(0.05)	0.01	-*	-	-	(0.01)	(0.01)	-	(0.01)	-	98.29%
56	Adani Cargo Logistics Private Limited	2020-21	INR	0.96	0.20	1.17	-*	-	-	(0.01)	(0.01)	-	(0.01)	-	98.29%
57	Adani Logistics Infrastructure Private Limited	2020-21	INR	0.96	0.18	1.15	-*	-	-	(0.01)	(0.01)	-	(0.01)	-	98.29%
58	Adani Pipelines Private Limited	2020-21	INR	0.05	(0.01)	0.05	-*	-	-	-*	-*	-	-*	-	100%
59	Adani Krishnapatnam Port Limited	October 1, 2020 to March 31, 2021	INR	88.58	2,029.44	9,734.18	7,616.16	141.35	948.25	28.55	3.23	(43.02)	(39.79)	-	75%
60	Adani Krishnapatnam Container Terminal Private Limited	October 1, 2020 to March 31, 2021	INR	0.01	13.72	34.62	20.90	-	48.26	7.00	5.33	0.14	5.47	-	75%

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
61	Adani KP Agriwarehousing Private Limited	October 1, 2020 to March 31, 2021	INR	0.10	18.67	28.25	9.49	-	-	(0.88)	(0.88)	-	(0.88)	-	48%
62	Dighi Port Limited	February 15, 2021 to March 31, 2021	INR	1.00	56.58	769.75	712.16	-	1.24	(11.73)	(11.73)	-	(11.73)	-	100%
63	Sulochana Pedestal Private Limited	March 31, 2021 to March 31, 2021	INR	401.00	(2.13)	400.12	1.24	-	-	-	-	-	-	-	100%
64	NRC Limited	March 31, 2021 to March 31, 2021	INR	10.00	(171.44)	325.12	486.56	-	-	-	-	-	-	-	100%
65	Shankheshwar Buildwell Private Limited	March 30, 2021 to March 31, 2021	INR	10.01	259.25	269.38	0.13	-	-	-	-	-	-	-	100%
66	Aqua Desilting Private Limited	February 19, 2021 to March 31, 2021	INR	-	-	-	-	-	-	-	-	-	-	-	100%
67	Abbot Point Operations Pty Limited (Consolidated)	2020-21	INR	0.56	87.87	290.97	202.54	-	555.43	37.74	23.88	-	23.88	-	100%
			AUD	0.10	15.77	52.24	36.36	-	104.47	7.10	4.49	-	4.49	-	
68	Adani Mundra Port Pte. Limited	2020-21	INR	0.01	(0.10)	-	0.09	-	-	(0.03)	(0.03)	-	(0.03)	-	100%
			USD	-*	(0.01)	-	0.01	-	-	-*	-*	-	-*	-	
69	Adani Abbot Port Pte. Limited	2020-21	INR	0.01	(0.09)	-	0.09	-	-	(0.03)	(0.03)	-	(0.03)	-	100%
			USD	-*	(0.01)	-	0.01	-	-	-*	-*	-	-*	-	
70	Adani International Terminals Pte Limited	2020-21	INR	0.01	(43.98)	1,069.60	1,113.58	-	-	(28.19)	(28.19)	-	(28.19)	-	100%
			USD	-*	(6.02)	146.30	152.32	-	-	(3.80)	(3.80)	-	(3.80)	-	
71	Adani Mundra Port Holding Pte Limited	2020-21	INR	0.04	(4.37)	184.40	188.72	-	1.59	(4.35)	(4.35)	-	(4.35)	-	100%
			USD	0.01	(0.60)	25.22	25.81	-	0.21	(0.59)	(0.59)	-	(0.59)	-	
72	Adani Bangladesh Ports Private Limited	2020-21	INR	0.48	0.26	13.44	12.69	-	1.87	0.59	0.30	-	0.30	-	100%
			BDT	5.53	3.04	155.24	146.66	-	21.54	6.79	3.45	-	3.45	-	

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
73	Adani Yangon International Terminal Company Limited	2020-21	INR	468.31	-	997.84	529.53	-	-	-	-	-	-	-	100%
			MMK	90,992.53	-	1,93,880.42	1,02,887.89	-	-	-	-	-	-	-	
74	Bowen Rail Operations Pte Limited	2020-21	INR	0.04	(0.06)	182.41	182.44	-	-	(0.06)	(0.06)	-	(0.06)	-	100%
			USD	0.01	(0.01)	24.95	24.95	-	-	(0.01)	(0.01)	-	(0.01)	-	
75	Bowen Rail Company Pty Limited	2020-21	INR	0.01	6.26	305.09	298.82	-	-	8.53	5.97	-	5.97	-	100%
			AUD	-*	1.12	54.77	53.65	-	-	1.61	1.12	-	1.12	-	
76	Adani Logistics International Pte Ltd	July 13 2020 to March 31, 2021	INR	0.03	(0.01)	0.03	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
			USD	-*	-*	-*	-*	-	-	-*	-*	-	-*	-	100%

-* Figures being nullified on conversion to ₹ in crore and foreign currency in Million

Notes:-

Names of subsidiaries which are yet to commence operations

- Hazira Infrastructure Limited	- Adani Agri Logistics (Katihar) Limited
- Madurai Infrastructure Private Limited	- Adani Agri Logistics (Kannauj) Limited
- Adani Vizhinjam Port Private Limited	- Adani Agri Logistics (Panipat) Limited
- Dholera Port And Special Economic Zone Limited	- Adani Agri Logistics (Raman) Limited
- Dholera Infrastructure Private Limited	- Adani Agri Logistics (Nakodar) Limited
- Adani International Terminals Pte Limited	- Adani Agri Logistics (Barnala) Limited
- Adani Mundra Port Pte. Limited	- Adani Agri Logistics (Bathinda) Limited
- Adani Abbot Port Pte. Limited	- Adani Agri Logistics (Mansa) Limited
- Blue Star Realtors Private Limited	- Adani Agri Logistics (Moga) Limited
- Dermot Infracon Private Limited	- Adani Agri Logistics (Borivali) Limited
- Mundra Crude Oil Terminal Private Limited	- Adani Agri Logistics (Dahod) Limited
- Mundra International Gateway Terminal Private Limited	- Adani Agri Logistics (Dhamora) Limited
- Adani Logistics International Pte Limited	- Adani Agri Logistics (Samastipur) Limited
- Bowen Rail Operations Pte Limited	- Adani Agri Logistics (Darbhanga) Limited
- Adani Tracks Management Services Private Limited	- Adani Yangon International Terminal Company Limited
- Adani Cargo Logistics Private Limited	- Bowen Rail Company Pty Limited
- Adani Logistics Infrastructure Private Limited	- Adani Pipelines Private Limited
- Dhamra Infrastructure Private Limited	- Adani Forwarding Agent Private Limited
- Sulochana Pedestal Private Limited	- Aqua Desilting Private Limited
- Shankheshwar Buildwell Private Limited	- NRC Limited

PART "B" :- Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint Ventures

₹ in crore

Sr No	Name of Joint Venture	Latest Audited Balance Sheet Date	Shares of Joint Ventures held by the company at 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, 2021	32,22,31,817	341.03	50%	Note - (1)	NA	283.61	-	205.70
2	Adani CMA Mundra Terminal Private Limited	March 31, 2021	5,93,78,278	63.86	50%	Note - (1)	NA	(1.00)	-	79.64
3	Adani NYK Auto Logistics Solutions Private Limited	March 31, 2021	30,60,000	3.06	51%	Note - (1)	NA	2.08	(0.56)	-
4	Adani Total Private Limited (Consolidated)	March 31, 2021	2,02,00,000	20.20	50%	Note - (1)	NA	346.51	(13.51)	-

Note:-

(1) There is significant influence/joint control due to percentage (%) of Share holding.

(2) As on March 31, 2020, Adani Logistics Limited ("ALL"), a wholly owned subsidiary of Adani Ports and Special Economic Zone Limited ("APSEZL") held 26% shareholding in Snowman Logistics Limited ("Snowman") and was accounted as Associate. During the year, Snowman ceased to be an associate entity of the Group and the balance investments in Snowman was accounted for at FVTOCI in accordance with the applicable Accounting Standards. ALL disposed off entire shareholding in Snowman and transferred FVTOCI balance to retained earnings.

(3) On February 15, 2021, the Group has completed the acquisition of Dighi Port Limited ("DPL") under the Corporate Insolvency Resolution Plan ("CIRP") and consequently DPL's Joint Venture entity Dighi Roha Rail Limited became joint venture entity of the Group and accounted the same as an investment in Joint Venture. The Group has not considered any share of profit/ loss for the period as the amount is immaterial.

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

Deepak Maheshwari
Chief Financial Officer

Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : 04 May, 2021

Notice

NOTICE is hereby given that the 22nd Annual General Meeting of Adani Ports and Special Economic Zone Limited will be held on Monday, July 12, 2021 at 10:00 a.m. through Video Conferencing/ Other Audio Visual Means to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended on March 31, 2021 and the Reports of the Board of Directors and Auditors thereon.
2. To declare Final Dividend on Equity Shares for the financial year 2020-21.
3. To declare Dividend on Preference Shares for the financial year 2020-21.
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.

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 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. P. S. Jayakumar (DIN: 01173236), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f July 23, 2020 pursuant to the provisions of Section 161 of the Act and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing w.e.f July 23, 2020."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT Mrs. Avantika Singh Aulakh, IAS (DIN: 07549438), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f September 15, 2020 pursuant to the provisions of Section 161 of the Companies Act, 2013 ("Act") and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

7. 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 August 11, 2015 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 re-enactment 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 ₹50,000 crore (Rupees Fifty Thousand crore Only)."

"RESOLVED FURTHER THAT the Board 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, 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

Place: Ahmedabad
Date: May 4, 2021

Kamlesh Bhagia
Company Secretary

Registered Office:
"Adani Corporate House",
Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad - 382421,
Gujarat, India
CIN: L63090GJ1998PLC034182

Notes:

1. In view of resurgence of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs ("MCA") allowed conducting Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") and dispended with the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs vide its Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021 and Securities and Exchange Board of India ("SEBI") vide its Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (hereinafter collectively referred to as the "Circulars") prescribed the procedures and manner of conducting the AGM through VC/OVAM. In terms of the said Circulars, the 22nd AGM of the members of the Company be held through VC/OAVM. Hence, members 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. 20 and available on the Company's website www.adaniports.com.

2. The helpline number regarding any query / assistance for participation in the AGM through VC/OAVM is 1800225533.

3. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted 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") is annexed hereto.

4. Pursuant to the Circulars, the facility to appoint proxy to attend and cast vote for the members 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 there at and cast their votes through e-voting.

5. The attendance of the Members 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 the 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 payable 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 Depository Participant (if shares are held in electronic form) and Company/Registrar & Transfer Agent ("R & T Agent") (if shares are 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 by June 30, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at 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. The aforesaid declarations and documents need to be submitted by the shareholders by June 30, 2021.

7. In line with the aforesaid Circulars, the Notice of AGM along with Annual Report 2020-21 is sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2020-21 has been uploaded on the website of the Company at 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 and 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.

8. The Company has fixed Friday, June 25, 2021 as the 'Record Date' for determining entitlement of members to receive dividend for the financial year 2020-21, if approved at the AGM.

   Those members 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 July 15, 2021, subject to applicable TDS.

9. Members seeking any information with regard to the financial statements are requested to write to the Company atleast 10 days before the meeting so as to enable the management to keep the information ready.

10. Members 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 Members holding shares in the physical mode. The Members 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 final dividend declared for the financial year 2013-14 will be transferred to the Investor Education and Protection Fund of the Central Government by October, 2021. Members 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 12, 2021.

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 the Notice will be available for inspection in electronic mode.

14. The Members can join the AGM through VC/OAVM mode 15 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 members 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 and Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

15. **Process and manner for members 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, the Company is providing facility of remote e-voting to its Members 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") for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by members using remote e-voting as well as e-voting during AGM will be provided by CDSL.

    ii. Members 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. July 5, 2021, shall be entitled to avail the facility of remote e-voting as well as e-voting during 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 member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. July 5, 2021, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting during AGM by following the procedure mentioned in this part.

    iv. The remote e-voting will commence on Thursday, July 8, 2021 at 9.00 a.m. and will end on Sunday, July 11, 2021 at 5.00 p.m. During this period, the members of the Company holding shares either in physical mode or in demat mode as on the Cut-off date i.e. July 5, 2021 may cast their vote electronically. The members 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 casted by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

    vi. The voting rights of the members 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. July 5, 2021.

vii. The Company has appointed M/s. Chirag Shah & Associates, Practising Company Secretaries (Membership No. F5545; CP No: 3498), to act as the Scrutinizer to scrutinize the remote e-voting process as well as the e-voting during AGM, in a fair and transparent manner.

16. **Process for those members whose email ids are not registered:**

a) For members holding shares in Physical mode, please provide details of Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy), Aadhar Card (self-attested scanned copy) by email to Investor.apsezl@adani.com.

b) Members holding shares in Demat mode, please provide details of Demat Account No. (16 digit), Name of the holder, Client Master or Copy of Consolidated Account statement, PAN (self-attested scanned copy), Aadhar Card (self-attested scanned copy) by email to Investor.apsezl@adani.com.

17. **The instructions for shareholders for remote voting are as under:**

(i) The voting period begins on Thursday, July 8, 2021 at 9.00 a.m. and will end on Sunday, July 11, 2021 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. July 5, 2021 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 SEBI Listing 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.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 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 dated December 9, 2020, 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 CDSL	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 URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi.

Type of shareholders	Login Method
	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.
	3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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.
Individual Shareholders holding securities in demat mode with NSDL	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: https://eservices.nsdl.com 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 & voting during the meeting.
	2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeASPortal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 & voting during the meeting.

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: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members 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

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

1. The shareholders should log on to the e-voting website 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. Members 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 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 other than individual shareholders holding shares in Demat Form	
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
	Members 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) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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 Members 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) 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.

(xvii) 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 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.

  In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th 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 022-23058542/43 .

18. **Instructions for members attending the AGM Through VC/OAVM & E-Voting during the meeting are as under:**

    1. The procedure for attending meeting & e-Voting during AGM is same as the instructions mentioned above for Remote e-voting.
    2. The link for VC/OAVM to attend the 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 Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting during AGM.
    4. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
    5. Members 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 and on the website of CDSL i.e. www.cdslindia.com within three days of the passing of the Resolutions at the 22nd AGM of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

20. **Instructions for members for attending the AGM through VC/OAVM are as under:**

    1. Members 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. Members 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. Members are encouraged to join the meeting through laptops / Ipads for better experience.
    3. Members 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, members 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 to Investor.apsezl@adani.com and register themselves as a speaker. Those Members 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 pursuant to aforesaid Circulars, through VC/OAVM without the physical presence of members, the Proxy Form, Attendance Slip and the route map of the venue are not annexed to this Notice.

Contact Details:

Company	:	Adani Ports and Special Economic Zone Limited Regd. Office: "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India CIN: L63090GJ1998PLC034182 E-mail ID: investor.apsezl@adani.com
Registrar and Transfer Agent	:	Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083, Maharashtra, India Phone: +91-22-49186270 | Fax: +91-22-49186060
e-Voting Agency	:	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com Phone : 022-23058542/43
Scrutinizer	:	M/s. Chirag Shah & Associates CS Chirag Shah Practising Company Secretaries E-mail ID: pcschirag@gmail.com

Annexure to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

For Item No. 5

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors vide circular resolution dated July 23, 2020 appointed Mr. P. S. Jayakumar as an Additional Director and also as an Independent Director, for a term of five years w.e.f July 23, 2020, subject to approval of the members.

Pursuant to the provisions of Section 161 of the Companies Act 2013 ("Act"), he holds office as Director up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Act, a notice has been received from a member signifying its intention to propose the appointment of Mr. P. S. Jayakumar as a Director.

Mr. P. S. Jayakumar has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In the opinion of the Board, he fulfils the conditions specified in the Act read with rules made thereunder for appointment as an Independent Director and he is independent of the management.

Mr. P. S. Jayakumar is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The terms and conditions for appointment of Mr. P. S. Jayakumar as an Independent Director of the Company shall remain open for inspection by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Brief resume and other details of Mr. P. S. Jayakumar are provided in annexure to the Notice pursuant to the provision of SEBI Listing Regulations 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.

Mr. P. S. Jayakumar is deemed to be interested in the said resolution as it relates to his appointment. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

For Item No. 6

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors vide circular resolution dated September 15, 2020 appointed Mrs. Avantika Singh Aulakh, IAS as an Additional Director of the Company.

Pursuant to the provisions of Section 161 of the Companies Act 2013 ("Act"), she holds office as Director up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Act, a notice has been received from a member signifying its intention to propose the appointment of Mrs. Avantika Singh Aulakh, IAS as a Director.

Mrs. Avantika Singh Aulakh, IAS is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief resume and other details of Mrs. Avantika Singh Aulakh, IAS are provided in annexure to the Notice pursuant to the provision of SEBI Listing Regulations 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.

Mrs. Avantika Singh Aulakh, IAS is deemed to be interested in the said resolution as it relates to her appointment. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

For Item No. 7

The members of the Company at the Annual General Meeting held on August 11, 2015 had authorised Board of Directors to exercise borrowing powers the outstanding amount of which at any time shall not exceed in the aggregate of ₹35,000 crore (Rupees Thirty Five Thousand crore Only).

As per the provisions of Section 180(1)(c) of the Companies Act, 2013 ("Act"), the Board of Directors shall not 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 Company accorded by way of a Special Resolution.

Further, in view of expanding business operations of the Company, the planned investments and capital expenditure for development of greenfield terminals, expansion of existing ports, investment in logistics business for development of multi-modal parks and inorganic growth opportunities, it is necessitated to enhance the borrowing limits by authorizing Board of the Directors or Committee thereof to borrow monies upto ₹50,000 crore (Rupees Fifty Thousand crore Only).

Accordingly, it is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) of the Act, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or key managerial personnel or their relatives is, in any way, concerned or interested in the said resolution.

For Item No. 8

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 Members 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 or key managerial personnel or their relatives is, in any way, concerned or interested in the said resolution.

By order of the Board of Directors

Place: Ahmedabad
Date: May 4, 2021

Kamlesh Bhagia
Company Secretary

Registered Office:
"Adani Corporate House",
Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad - 382421,
Gujarat, India
CIN: L63090GJ1998PLC034182

Annexure to Notice

Details of Directors seeking appointment/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 31.03.2021	Name of committees in which he/she holds membership/ chairmanship*
Mr. P. S. Jayakumar	59 years, 08.04.1962 (NIL)	Chartered Accountant, PGDBM from XLRI Jamshedpur	Mr. P. S. Jayakumar is a Chartered Accountant and holds post graduate diploma in business management from XLRI Jamshedpur. Mr. P S Jayakumar for 23 years in Citibank at the India and Singapore offices and his last assignment in Citibank was being the Country Head for the Consumer Banking Group. In 2015, Mr. P. S. Jayakumar was selected by the Government of India to serve as the Managing Director and CEO for Bank of Baroda, being the first person from the private sector selected to run a large public sector bank. He lead a successful transformation of Bank of Baroda and completed three way merger between Bank of Baroda, Vijaya and Dena Bank. Together, Mr. P S Jayakumar has a rich experience in the banking sector and financial sector with 34 years of work experience, both in India and Singapore. Between 2008-2015, Mr. P. S. Jayakumar worked as an entrepreneur and co-founded two companies to address the demand and the supply side on affordable housing. Value Budget Housing, a residential housing construction company has pioneered the use of manufacturing approach and application of form and IT technology in construction of affordable housing. HFFC, a NSE listed company, provides innovative long term mortgage loans to low and moderate income household. Currently, he is working on his third start up venture and also serves as in the Boards of several companies as an Independent Director. Besides VBHC he is also the Non-Executive Chairman for Northern Arc Capital Ltd, an NBFC focused on financial inclusion space.	• Adani Ports and Special Economic Zone Ltd. • JM Financial Ltd. • CG Power and Industrial Solutions Ltd. • Emcure Pharmaceuticals Ltd. • Tata Motors Finance Ltd. • TVS Industrial & Logistics Parks Pvt. Ltd. • LICHFL Asset Management Company Ltd. • Tata Motors Finance Solutions Ltd. • Northern ARC Capital Ltd. • TMF Holdings Ltd.	**Adani Ports and Special Economic Zone Ltd.^^** • Audit Committee (Member) **CG Power and Industrial Solutions Ltd.^^** • Audit Committee (Chairman) • Nomination and remuneration committee (Chairman) • Corporate Social Responsibility Committee (Member)

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 31.03.2021	Name of committees in which he/she holds membership/ chairmanship*
Mrs. Avantika Singh Aulakh, IAS	40 Years 02.03.1981 (NIL)	IAS officer of the 2003 batch, BE in Instrumentation & Control, Masters in Public Administration	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 notable service in Public Administration, Smt. Avantika Singh, IAS, 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, Smt. Avantika Singh, IAS, started her career in Civil Services as a Sub Divisional Officer (SDO) in Assam. She has served as Commissioner, Technical Education and Collector – Ahmedabad. She has also worked in Anand, Bharuch & 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 number of prestigious awards and recognitions.	• Gujarat Pipavav Port Ltd. • Adani Ports and Special Economic Zone Ltd. • GSPC LNG Ltd. • Gujarat Ports Infrastructure and Development Company Ltd. • Swan LNG Pvt. Ltd. • Adani Hazira Port Ltd. • Gujarat Metro Rail Corporation (GMRC) Ltd. • Gujarat Port and Logistics Company Ltd. • Adani Petronet (Dahej) Port Pvt. Ltd. • Gujarat Chemical Port Ltd.	**Gujarat Ports Infrastructure and Development Company Ltd.** • Audit Committee (Chairman)

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 31.03.2021	Name of committees in which he/she holds membership/ chairmanship*
Dr. Malay Mahadevia	58 Years 03.05.1963 (NIL)	B.D.S. & M.D.S. from Nair Hospital Dental College, 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 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.	• Adani Ports and Special Economic Zone Ltd. • Adani Wilmar Ltd. • GSPC LNG Ltd. • Adani Vizhinjam Port Pvt. Ltd. • Adani Infrastructure Pvt. Ltd. • Adani Total Pvt. Ltd. • Mahadevia Dental Hospital Pvt. Ltd. • Adani Skill Development Centre (Section 8 Company) • Adani Institute for Education and Research (Section 8 Company)	**Adani Ports and Special Economic Zone Ltd.^^** • Sustainability and Corporate Social Responsibility Committee (Member) • Risk Management Committee (Member)

^^Listed Companies

* Details of directorship and membership/chairmanship of committees in public companies are as on March 31, 2021.

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 directors, 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 Depositary 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	
AICTPL	Adani International Container Terminal Pvt. Ltd.
AITPL	Adani International Terminals Pte Ltd.
AKBTPL	Adani Kandla Bulk Terminal Pvt. Ltd.
AKPL	Adani Kattupalli 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, Bhadreshwar

Acronym	Full form
AVPPL	Adani Vizhinjam Port Pvt. Ltd.
AWSPL	Adani Warehousing Services Pvt. Ltd.
AYITCL	
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
BRR	Business Responsibility 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.

Acronym	Full form
COO	Chief Operating Officer
COP	Communications On Progress
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

Acronym	Full form
ECL	Expected Credit Loss
EDFC	Eastern Dedicated Freight Corridor
EHS	Environment Health And Safety
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

Acronym	Full form
GDA	General Duty Assistants
GDP	Gross Domestic Product
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 Poisitioning 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 Lipoprotien
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

Acronym	Full form
IFS	Integrated Farming Scheme
IG	Investment Grade
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	Intergarted 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

Acronym	Full form
KPCL	Adani Krishnapatnam Port Company Ltd.
KPL	Kamarajar Port Ltd.
KRCL	Kutch Railway Company Ltd.
KRIBHCO	Krishak Bharati Cooperative
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

Acronym	Full form
MOEF & CC	Ministry Of Environment, Forest And Climate Change
MOU	Memorandum Of Understaning
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

Acronym	Full form
NSOP	Non-Scheduled Operation Permit
NVG	National Voluntary Guidelines
NW	National Waterway
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

Acronym	Full form
SDG	Sustainable Development Goals
SDMRI	Suganthi Devadason Marine Research Institute
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
SRCPL	Sarguja Rail Corridor Private Ltd.
SRFA	Safety Risk Field Audit
SSC	Sustainability Steering Committee
SSIDL	Shanti Sagar International Dredging Ltd.
SSIDL	
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	
TASHL	The Adani Harbour Services Ltd.
TAT	Turnaround Time
TBT	Tool Box Talk
TCFD	Task Force On Climate Related Financial Disclosures

Acronym	Full form
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
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

Acronym	Full form
UNGC	United Nations Global Compact
UNICEF	United Nations Children'S Fund
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

Common disclosures

1. EBITDA numbers are calculated except any Mark-to-market impact of Forex Movement
2. EBITDA number for FY 2020- 21 is excluding one-time donation for Covid-19 relief funds
3. Operational parameters for FY 2020- 21 viz. productivity, turnaround time doesn't include Krishnapatnam and Dighi Port
4. ROCE is calculated as EBIT divided by Average Net Capital Employed
5. ROCE number for FY 21 is calculated using full-year EBIT of Krishnapatnam and debt on account of that for like-to-like comparison
6. Average Finance cost is calculated using total finance cost divided by average total debt.
7. APSEZ cargo throughput market share is calculated basis internal estimates and excludes Non-APSEZ LNG, LPG and coastal volumes

Notes

adani

Ports and Logistics