

**KERALA  
WATERWAYS AND  
INFRASTRUCTURES  
LIMITED**

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**DIRECTORS' REPORT  
&  
FINANCIAL STATEMENTS**

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**2021-22**

## KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

Regd. Office: XI/318E, Cochin International Airport Buildings, Kochi Airport P.O., Nedumbassery-683111

Telephone: +91 484 2991032; Email: cs@keralawil.com; CIN: U61200KL2017PLC050586

### NOTICE OF THE ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 05<sup>th</sup> Annual General Meeting of Kerala Waterways and Infrastructures Limited will be held on **Monday, the 25<sup>th</sup> day of July 2022 at 05.00 p.m. at XI/318E, Cochin International Airport Bldgs., Kochi Airport P.O, Nedumbassery, Ernakulam 683 111**, the Registered Office of the Company to transact the following business.

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2022, the Statement of Profit and Loss for the year ended on that date, Annexures and Schedules thereto and the report of the Directors and Auditors of the Company.
2. To appoint a Director in the place of Sri. Jose Thoms P (DIN: 02905126), who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Statutory Auditors and fixation of remuneration:

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution:**

“Resolved that pursuant to Section 139 and other applicable provisions of the Companies Act 2013 and the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof) the retiring auditors M/s. Nayar & Menon, Chartered Accountants, Ernakulam (Firm Registration No:002454S) be and is hereby appointed as the statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company.”

#### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“Resolved that pursuant to the provisions of Section 196,197,198 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013 as amended from time to time, or any modifications or statutory re-enactment(s) thereof, and all applicable guidelines for managerial remuneration issued by the Central Government from time to time, the appointment of Sri. S. Suhas IAS, (DIN 08540981) as the Managing Director in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act 2013 along with deposit of requisite amount proposing the candidature, for a period of three years with effect from 29<sup>th</sup> September 2021 on the following terms and conditions, be and is hereby approved.”

Monthly Remuneration	Being an officer of the All India Services, Sri.S Suhas IAS will be entitled to the pay and allowances as applicable to him from time to time as per the All India Services Pay Rules including annual increments and pay revisions as and when applicable. His present entitlement is given below.	
	Basic Pay (scale of pay : Rs.78,800-2,09,200)	Rs. 86,100
	Dearness Allowance (Currently – 34%)	Rs. 29,274
	H.R.A	Rs. 13,776
	Special Allowance	Rs.800
	Total	Rs. 1,29,950
Perquisites	Managing Director shall be entitled to all perquisites and other allowances that are applicable to the employees of KWIL as per KWIL rules, subject to the condition that these are not lesser than his entitlement as an All India Services Officer.	

“Resolved further that the Board be and is hereby authorized to do all such things as may be necessary for implementing the aforesaid decision of the Company”.

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 Section 152 and all other applicable provisions of the Companies Act 2013 and the rules made thereunder, Sri.V.P.Joy IAS, (DIN: 00112938) Chief Secretary, who was appointed as an Additional Director by the Board of Directors at its meeting held on 29<sup>th</sup> September 2021 and whose term of office expires at this Annual General Meeting (AGM) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act 2013 along with the deposit of requisite amount, proposing the candidature of Sri.V.P Joy, IAS for the office of Director, be and is hereby appointed as a Director and the period of office of Sri.V.P Joy, IAS shall be liable to retire by rotation.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“Resolved that pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act 2013 and the rules made thereunder, Sri.Shyam Gopal (DIN: 09147108) Chief Engineer (Inland Navigation & Kuttanad Package), who was appointed as an Additional Director by the Board of Directors at its meeting held on 29<sup>th</sup> September 2021 and whose term of office expires at this Annual General Meeting (AGM) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act 2013 along with the deposit of requisite amount, proposing the candidature of Sri.Shyam Gopal for the office of Director, be and is hereby appointed as a Director and the period of office of Sri.Shyam Gopal shall be liable to retire by rotation.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“Resolved that pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act 2013 and the rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, the Company’s policy on Related Party Transactions and as per the recommendation/approval of the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for entering

into and /or continuing to enter into transactions with Cochin International Airport Limited and CIAL Infrastructures Limited, which are related parties within the meaning of section 2(76) of the Companies Act 2013 from FY 2022-23 to FY 2026-27 i.e five financial years, such that the maximum value of such transactions with such parties, in aggregate does not exceed upto an amount not exceeding Rs.50 Lakhs for each financial year for each party on such terms and conditions as may be decided by the Board of Directors of the Company as they deem fit.”

“Resolved further that all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and is hereby approved and confirmed.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“Resolved that pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013, including any statutory modifications or re-enactment(s) thereof and applicable laws, rules and regulations made thereunder, the consent of the members of the company be and is hereby accorded by way of Special resolution to the Board of Directors of the company to borrow money, as and when required, from bank(s), financial institution(s), foreign lender(s), any body corporate entity(ies), authority(ies), either in Indian rupees or in such other foreign currencies as may be permitted under law from time to time, notwithstanding that money so borrowed together with the monies already borrowed by the company, if any, apart from temporary loans obtained from the Company’s bankers in the ordinary course of business, may exceed the aggregate of the paid-up share capital of the company and its free reserves (that is to say reserves not set apart for any specific purpose) and securities premium, provided that the total amount so borrowed by the Board shall not at any time exceed of INR 100,00,00,000.00 (Rupees Hundred Crores only) over and above the paid -up share capital of the company and its free reserves (that is to say reserves not set apart for any specific purpose) and securities premium.”

“Further resolved that the Board of Directors of the company, be and is hereby authorized to delegate all or any of the powers conferred on it by or under the foregoing Special Resolution to any Committee of Directors of the company or to any Director of the company or any other officer(s) or employee(s) of the company as it may consider appropriate in order to give effect to this resolution.”

“Further resolved that the Board of Directors of the company, be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to the foregoing resolution.”

By order of the Board  
for **Kerala Waterways and Infrastructures Limited**

Place : Thiruvananthapuram  
Date : 23<sup>rd</sup> June 2022

sd/-  
**Mary Pauly Aricatt**  
Company Secretary

**Notes:**

1. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.** Form of Proxy is attached at the end of the Annual Report.
2. Instrument of proxies, in order to be effective, must be deposited at the Company's registered office not later than 48 hours before the commencement of the meeting.

**Explanatory Statement pursuant to Section 102 of the Companies Act 2013****Item No: 04**

During the 16<sup>th</sup> Board Meeting of Kerala Waterways and Infrastructures Limited held on 29<sup>th</sup> September 2021, the Board noted that the paid-up capital of the company will exceed Rs.10 Crores immediately after the allotment of shares to Government of Kerala and therefore the provisions of Section 203 with respect to the mandatory appointment of key managerial personnel would be applicable to KWIL. Therefore Board appointed Shri. S Suhas IAS (DIN 08540981) as Managing Director of the Company for a period of 3 years commencing from 29<sup>th</sup> September 2021 under the provisions of Section 160 of the Companies Act 2013. The Board recommends the resolution in relation to the appointment of Shri. S Suhas IAS as Managing Director of the Company for the approval of the shareholders.

The Company has received a notice in writing from a member proposing the candidature of Sri. S Suhas IAS for the office of Director under the provisions of Section 160 of the Companies Act 2013 along with deposit of Rs. 1 lakh. The Directors recommend the resolution for adoption.

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Schedule V of the Companies Act 2013 for the time being in force.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act 2013.

Except Sri. S. Suhas IAS, none of the Directors and Key Managerial Personnel of the Company and their relatives, are concerned or interested financially or otherwise in the resolution set out under item No: 04.

**Item No: 05**

Dr. V P Joy IAS , (DIN: 00112938) is currently the Chief Secretary, Government of Kerala. Vide G.O.(Rt) No:17/2021/CSIND dated 05th August 2021, the Government of Kerala nominated Dr.V P.Joy IAS as Director of the Company. Pursuant to Section 160 of the Companies Act 2013 read with Articles of Association of the Company, the Board of Directors of the Company through resolution passed in their meeting held on 29<sup>th</sup> September 2021 has appointed Dr.V P Joy IAS as an Additional Director of the Company with effect from 29<sup>th</sup> September 2021 and he holds office upto the date of this Annual General Meeting.

The Company has received a notice in writing from a member proposing the candidature of Dr.V.P.Joy IAS for the office of Director under the provisions of Section 160 of the Companies Act 2013 along with a deposit of Rs.1 lakh. The Directors recommend the resolution for adoption.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Dr.V.P. Joy IAS, are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary resolution set out at item No.05 for the approval of the members.

**Item No: 06**

Sri.Shyam Gopal, (DIN: 09147108) is currently the Chief Engineer (Inland Navigation & Kuttanad Package). Vide G.O.(Rt) No:17/2021/CSIND dated 05<sup>th</sup> August 2021, the Government of Kerala nominated Sri.Shyam Gopal as Director of the Company. Pursuant to Section 160 of the Companies Act 2013 read with Articles of Association of the Company, the Board of Directors of the Company through resolution passed in their meeting held on 29<sup>th</sup> September 2021 has appointed Sri.Shyam Gopal as an Additional Director of the Company with effect from 29<sup>th</sup> September 2021 and he holds office upto the date of this Annual General Meeting.

The Company has received a notice in writing from a member proposing the candidature of Sri.Shyam Gopal for the office of Director under the provisions of Section 160 of the Companies Act 2013 along with a deposit of Rs.1 lakh. The Directors recommend the resolution for adoption.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Sri.Shyam Gopal, are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary resolution set out at item No.06 for the approval of the members.

**Item No: 07**

The Companies Act 2013 aims to ensure transparency in the transactions and dealings with the related parties of the Company. The provisions of Section 188(1) of the Companies Act 2013 govern the Related Party Transactions for entering any contract, transactions, or arrangement with the related party(ies). The Company needs to obtain the approval of Shareholders by way of a Resolution as prescribed in Rule 15 of the Companies (Meeting of Board and its Power) Rules 2014.

Details of the related party transactions are furnished below:

<b>Name of the related party</b>	Cochin International Airport Limited	CIAL Infrastructures Limited
<b>Name of the Director/KMP who is related, if any</b>	1. Shri. S Suhas IAS 2. Shri.V P Joy IAS	1. Shri. S Suhas IAS 2. Shri.Jose Thomas P
<b>Nature of relationship</b>	Managing Director	Executive Chairman
<b>Nature, material terms, monetary value and particulars of contract or arrangements</b>	Lease rent of building/ equipment or any other transactions(s), which shall be governed by the Company's Related Party Transaction Policy	Lease rent of building/ equipment or any other transactions(s), which shall be governed by the Company's Related Party Transaction Policy.
<b>Aggregate maximum value of the contract/arrangement per transaction in any financial year</b>	50 lakhs	50 lakhs
<b>Any other information relevant or important for the members to take decision on the proposed resolution</b>	None	None

The extend of shareholding interest in Cochin International Airport Limited of every promoter, director, key managerial personnel of Kerala Waterways and Infrastructures Limited is as under:

SI No	Category of person in KWIL	Shareholding interest in CIAL
1	Promoter- CIAL	Nil

The extend of shareholding interest in CIAL Infrastructures Limited of every promoter, director, key managerial personnel of Kerala Waterways and Infrastructures Limited is as under:

SI No	Category of person in KWIL	Shareholding interest in CIAL Infrastructures Ltd
1	Promoter- CIAL	99.99 %

None of the Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary resolution set out at item No.07 for the approval of the members.

**Item No.8**

As per the provisions of section 180(1) (c) of the Companies Act 2013 the Board of Directors of a company could borrow money together with the moneys already borrowed by the Company in the ordinary course of business, to the extent of paid-up share capital, securities premium and free reserves of the company and for borrowing moneys in excess of the Paid-up share capital, securities premium and free reserves, the approval of the members of the company in General meeting by way of special resolution has to be obtained.

For business and operational purpose of company, Company may borrow funds from time to time and therefore it is required to obtain approval of the members by way of special resolution in general meeting to authorize the Board to borrow in excess of the paid-up share capital, securities premium and free reserves.

None of the Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Special resolution set out at item No.08 for the approval of the members.

By order of the Board  
for **Kerala Waterways and Infrastructures Limited**

Place : Thiruvananthapuram  
Date : 23<sup>rd</sup> June 2022

sd/-  
**Mary Pauly Aricatt**  
**Company Secretary**

As per the requirement of Secretarial Standard - 2, the following information relating to the director who is being appointed, as contained at item 2 and 4 are furnished below:

Particulars	Information	Information
Name	Sri. Jose Thomas P (DIN:02905126)	Sri. Suhas S. IAS (DIN:08540981)
Age	61 Years	34 Years
Qualifications	M.Tech	B.E
Experience	39 years of Engineering experience	10 years
Terms and Conditions of appointment	Retiring Director, being eligible offer himself for re-appointment	As per resolution no. 04
Remuneration last drawn	Nil	Nil
Date of first appointment on Board	29 <sup>th</sup> June 2019	29 <sup>th</sup> September 2021
Shareholding in company	One equity share of Rs.10	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	Nil	Nil
Number of Meetings of Board attended	4	4
Other Directorships, Memberships/ Chairmanships of Committees of other Boards	<p><b>Director</b></p> <ol style="list-style-type: none"> <li>1. CIAL Infrastructures Limited</li> <li>2. Cochin International Aviation Services Limited</li> </ol>	<p><b>Chairman &amp; Director</b></p> <ol style="list-style-type: none"> <li>1. CIAL Infrastructures Limited</li> <li>2. Cochin International Aviation Services Limited</li> <li>3. CIAL Duty free and Retail Services Limited</li> </ol> <p><b>Director</b></p> <ol style="list-style-type: none"> <li>4. Air Kerala International Services Limited</li> <li>5. Kerala Infrastructure Fund Management Limited</li> </ol> <p><b>Director &amp; Managing Director</b></p> <ol style="list-style-type: none"> <li>6. Cochin International Airport Limited</li> <li>7. Roads and Bridges Development Corporation of Kerala Limited</li> </ol> <p><b>Member</b></p> <p>CSR Committee/CIAL &amp; CIL</p>



As per the requirement of Secretarial Standard - 2, the following information relating to the director who is being appointed, as contained at item 5 & 6 are furnished below:

Particulars	Information	Information
Name	Sri.V.P Joy IAS (DIN: 00112938)	Sri.Shyam Gopal (DIN: 09147108)
Age	59 Years	54 years
Qualifications	B.E, MBA (Finance)	M.Tech
Experience	35 years of experience in Management and Administration (IAS)	28 years of Engineering experience
Terms and Conditions of appointment	As per resolution no. 5	As per resolution no. 6
Remuneration last drawn	Nil	Nil
Date of first appointment on Board	29 <sup>th</sup> September 2021	29 <sup>th</sup> September 2021
Shareholding in company	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	Nil	Nil
Number of Meetings of Board attended	2	3
Other Directorships, Memberships/ Chairmanships of Committees of other Boards	<b>Director</b> 1. Cochin International Airport Limited 2. Kannur International Airport Limited 3. Bekal Resorts Development Corporation Limited 4. Kerala Medical Infrastructure Development Limited 5. Cochin Smart Mission Limited 6. Kerala Rail Development Corporation Limited 7. Smart City Thiruvananthapuram Limited 8. Malabar International Port & SEZ Limited 9. Kochi Metro Rail Limited 10. Kochi Water Metro Limited 11. Vision Varkala Infrastructure Development Corporation Limited 12. Vizhinjam International Seaport Limited	<b>Director</b> 1. Kerala Shipping and Inland Navigation Corporation Limited

## KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

Regd. Office: XI/318E, Cochin International Airport Buildings, Kochi Airport P.O., Nedumbassery-683111

Telephone: +91 484 2991032; Email: cs@keralawil.com; CIN: U61200KL2017PLC050586

### DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the fifth Annual Report together with the audited financial statements and accounts of the Company for the period ended 31<sup>st</sup> March 2022.

(Rupees in lakhs)

Financial Results	Financial Year 2021-22	Financial Year 2020-21
Total Income	128.59	6.55
Less: Administrative & other expenses	121.18	32.06
<b>Cash Profit / (Loss)</b>	7.42	(25.51)
Less: Depreciation	(10.73)	-
<b>Profit / (Loss)</b>	(3.32)	(25.51)
Less: Provision for Income Tax (Current & Deferred Tax)	(1.54)	-
<b>Profit / (Loss) after Tax</b>	(1.78)	(25.51)
Add: Other Comprehensive Income	-	-
<b>Net Profit / (Loss) for the period</b>	(1.78)	(25.51)

#### INLAND NAVIGATION IN KERALA

Waterways have always been an important mode of transport in Kerala. Kerala has an extensive waterway network of more than 1680 kms. The 41 West-flowing rivers together with the backwaters are an integrated part of the inland navigation system in Kerala. However hardly 20 percent of the network is in a usable condition. The remaining sections are not navigable because of neglect and lack of proper maintenance. The cost of transportation by water is actually cheaper than any other mode of transport and also the most environmental-friendly mode of transportation. Hence, a major thrust need to be given to this sustainable means of transport.

In pre-independence era especially transportation across Kerala was mainly through boats. Road networks in state were quite insufficient. However, later when roadways and railways started to develop, the importance of waterways started to diminish. Only tourist boats have found some use in certain stretches of backwaters and wider canals. However, there is a renewed emphasis now, for exploiting the potential of waterways of our State.

Kerala has already demonstrated the viability of solar-powered boats for passenger transportation. We also need to create the necessary infrastructure for proper integration of the water transport with road/rail transport networks in order to attract people to switch to waterways. Therefore, the development of the proposed 610-km-long west coast canal from Kovalam to Bekal connecting 11 districts of Kerala is of great importance at this juncture. The rejuvenation and development of West Coast Canal will lead to increased economic activities along the waterway and will contribute to the overall economic growth of our State.

## OPERATIONS OF THE COMPANY

- KWIL has been entrusted with the work of rehabilitation and resettlement of approximately 1500 families residing on the banks of West Coast Canal between Kovalam and Varkala. An approval has been obtained from KIIFB for a project amounting to Rs.247.20 Crores for the rehabilitation of these families. A PMU team has also been constituted for the implementation of rehabilitation of these families and the work is underway.
- The Company has prepared a Detailed Project Report for the rejuvenation of Parvathy Puthenar between Kovalam and Akkulam through NATPAC Ltd., for a total cost of Rs.183.65 Crores. The DPR is now under appraisal by KIIFB. It is expected that the comprehensive rejuvenation of Parvathy Puthanar can be started after completing the land acquisition and rehabilitation activities in this stretch.
- KWIL has been entrusted with the rejuvenation of Canoli Canal in Kozhikode City as part of the West Coast Canal project and M/s LEA Associates South Asia Pvt Ltd. has been appointed by KWIL for the preparation of a Detailed Project Report for the Development of Kozhikode as a 'Canal City'. The Consultant has already started the field works and is expected to complete the preparation of DPR in six months. An in-principle sanction of Rs.1,118 crores was also accorded for this project, by KIIFB.
- The Land acquisition works pertaining to the three artificial canals between Mahe and Valapattanam rivers was initiated and boundary stones were planted for the land acquisition of 2<sup>nd</sup> and 3<sup>rd</sup> artificial canals between Eranjoly and Valapattanam rivers. The contingency charge of Rs.50 Lakhs has been transferred to KIIFB LA unit -2 Kannur for the SIA study, and the field works have already commenced. The land acquisition activities for the 1st reach between Mahe and Eranjoly rivers will also commence after obtaining necessary sanctions. The land acquisition activities for the artificial canal between Neeleswaram and Chittari rivers is also expected to commence soon after obtaining necessary administrative sanction.
- KWIL has been entrusted with the preparation of a Concept Plan for the Transit Oriented Development and Economic Development Opportunities of the West Coast Canal by appointing Consultants from the Empanelled list of the State Tourism Department by dividing the entire West Coast Canal into thirteen reaches. After preparing individual Master Plans for various reaches, a consolidated Master Plan for attracting investments in the proposed projects along the West Coast Canal will be prepared. This is expected to boost large scale economic activities along West Coast Canal and also generate employment opportunities. Initially, study on two reaches i.e Akkulam to Kollam (60 kms) and Mannattampaara to Kallai (30 kms) have been awarded to HLL Infratech Services Limited. The work has already commenced.

## DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act 2013:

- a) in the preparation of the annual accounts for the period ended 31<sup>st</sup> March 2022, the applicable accounting standards and the instructions provided under Schedule III of the Companies Act 2013 have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2022 and of the loss of the Company for the period ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

### DIVIDEND AND TRANSFER TO RESERVE

The Company has not earned any profit during the period under review. Therefore, the recommendation of dividend and transfer to General Reserve does not arise.

### SHARE CAPITAL

The authorized share capital of the company was Rs.9 Crores. During the Extra Ordinary General Meeting held on 22<sup>nd</sup> October 2021, the Board of Directors resolved to enhance the authorize share capital from Rs.9 Crores to Rs.20 Crores. During the year under review, the company has received Rs.8.82 Crores towards the share capital contribution from Government of Kerala. The company has constituted a share allotment subcommittee to allot the equity shares to Government of Kerala. Accordingly, on 30<sup>th</sup> November 2021, the subcommittee resolved to allot 88,20,000 equity shares of Rs.10/- each to the H.E. Governor of Kerala, Thiruvananthapuram.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Directors of the Company, as on date are given below:

SI. No.	DIN	Name of the Director	Designation
1.	01907262	Sri. Pinarayi Vijayan	Chairman
2.	01750512	Sri.T .K.Jose IAS	Director
3.	08540981	Sri.S.Suhas IAS	Managing Director
4.	02905126	Sri.Jose Thomas P.	Director
5.	00112938	Sri.V P Joy IAS	Director
6.	09147108	Shyam Gopal	Director

During the 16<sup>th</sup> Board Meeting of the company held on 29<sup>th</sup> September 2021, the Board appointed Sri.S Suhas IAS as Managing Director of the Company for a period of three years commencing from 29<sup>th</sup> September 2021 under provisions of section 203 of the Companies Act 2013. The Company has received a notice in writing from a member proposing the candidature of Shri.Suhas IAS for the office of Managing Director under the provisions of Section 160 of the Companies Act, 2013 for a period of 3 years with effect from 29<sup>th</sup> September 2021. Therefore, the Board recommends the resolution in relation to the appointment of Sri.Suhas IAS as Managing Director of the Company for the approval of the shareholders.

The Board in its meeting held on 29<sup>th</sup> September 2021 appointed Sri. V.P Joy IAS and Sri. Shyam Gopal respectively as Additional Directors to hold office upto ensuing Annual General Meeting. The Board therefore recommends their appointment as Directors of the Company.

The Company has to comply with the provisions of Section 149(4) of the Companies Act 2013 with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules 2014 regarding the appointment of

Independent Directors. The Company has requested Government of Kerala to nominate suitable persons for the appointment of Independent Directors.

In terms of the provisions of Sub Section 6 of Section 152 of the Companies Act 2013, two – third of the total number of Directors excluding Independent Directors and non-rotational directors, are liable to retire by rotation and out of which one third has to retire by rotation at every Annual General Meeting. Sri. Jose Thomas P. (DIN: 02905126) is therefore liable to retire by rotation during the current Annual General Meeting, being eligible offer himself for re-appointment. The Board therefore recommends his re-appointment as Director of the Company.

Pursuant to Sections 2(51) and 203 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Smt. Mary Pauly Aricatt has been appointed as CS & CFO of the Company during the Board Meeting held on 09<sup>th</sup> March 2022.

### Shifting of Registered Office

During the Extraordinary General Meeting held on 22<sup>nd</sup> October 2021, the members of the company resolved to shift the registered office of the Company from III Floor, 34/213, Kolaara Estate, NH Road, Edappally, Ernakulam to XI/318E, Cochin International Airport Buldings, Kochi Airport P O, Ernakulam – 683 111 with effect from 22<sup>nd</sup> October 2021.

## DISCLOSURES

### Audit Committee

Pursuant to Section 177 of Companies Act 2013, the company has to constitute an Audit Committee. Immediately after the appointment of Independent Directors the company shall take necessary steps to constitute an Audit Committee complying the provisions of section 177 of the Companies Act 2013.

### Nomination and Remuneration Committee

As per the provisions of Section 178(1) of the Companies Act 2013 read with Rule 6 of the Companies (Meetings of Board & its Powers) Rules 2014, the company has to constitute a Nomination and Remuneration Committee. Immediately after the appointment of Independent Directors, the company shall take necessary steps to constitute the Nomination and Remuneration Committee complying the provisions of Section 178(1) of the Companies Act 2013 read with Rule 6 of the Companies (Meetings of Board & its Powers) Rules 2014.

## MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the period under review on 24<sup>th</sup> June 2021, 29<sup>th</sup> September 2021, 18<sup>th</sup> January 2022 and 09<sup>th</sup> March 2022. The composition and category of the Directors along with their attendance at Board Meetings as on 31<sup>st</sup> March 2022 are given below:

Sl. No.	Name of the Director	Category of Director	No: of Board Meetings	
			Held during the tenure	Attended
1.	Sri. Pinarayi Vijayan	Chairman (Non-Executive)	4	3
2.	Sri. S.Suhas IAS	Managing Director	4	4
3.	Sri. T. K. Jose IAS	Non -Executive Director	4	3
4.	Sri. Jose Thomas P.	Executive Director	4	4
5.	Sri.V P Joy IAS	Non-Executive Director	3	2
6.	Sri.Shyam Gopal	Non-Executive Director	3	3

**STATUTORY AUDITORS**

Your Directors propose to appoint M/s. Nayar & Menon, Chartered Accountants, Ernakulam (Firm Registration No: 002454S) as the Statutory Auditors of the Company for the Financial Year 2022 - 23 and the requisite resolution has been set out in the Notice of the Annual General Meeting. They have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for appointment. The Notes on standalone financial statements referred to in the Financial Statements are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer.

**Cost Audit**

Cost Audit under section 148 (1) is not applicable to the company.

**Risk Management**

The Company has adequate system of business risk evaluation and management, to ensure stable & sustainable business growth and to promote pro-active approach in evaluating and resolving the risks associated with the business. The Company has identified the potential risks such as financial risk, legal & statutory risks and the internal process risk and has put in place appropriate measures for its mitigation. At present, the Company has not identified any element of risk which may threaten the existence of the Company.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE ACT**

There were no Loans and guarantees made by the Company under Section 186 of the Companies Act 2013 during the period under review.

**ANNUAL RETURN**

The Annual Return of the Company as on 31<sup>st</sup> March 2022 is available on the Company's website and can be accessed at <https://www.keralawil.com/userfiles/keralawil/annual-report>.

**RELATED PARTY TRANSACTIONS**

Related Party Transactions in terms of Ind AS 24 are set out in the Notes forming part of the accounts. These transactions are not likely to have a conflict with the interest of the Company. All the related party transactions are negotiated on arm's length basis and are intended to protect the interest of the Company. Disclosures of particulars of contracts / arrangements entered into by the Company with related parties are given in Form AOC-2 as **Annexure A** to Directors' Report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under the Act, are provided in **Annexure B** to this Report.

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

Personnel and industrial relations were cordial and satisfactory during the period under review. There were no employees of the company who have drawn remuneration in excess of the limits set out under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

**SECRETARIAL STANDARDS OF ICSI**

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the period under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Change in the nature of the business of the company.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6. There was no material changes and commitments affecting the financial position of the Company which have occurred during the period and the date of this report.
7. During the period under review, there were no companies which have become or ceased to become the subsidiaries, joint ventures or associate companies.
8. Consequent to the share capital contribution of Government of Kerala during the year, the company has ceased to be subsidiary company of Cochin International Airport Limited with effect from 30<sup>th</sup> November 2021.

The Company has an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2021-22:

- No. of complaints received : Nil
- No. of complaints disposed off : Nil

Your Directors wish to state that during the period under review no frauds were reported by the Auditors of the Company.

**Proceedings under Insolvency and Bankruptcy Code 2016**

No application was made nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year.

**ACKNOWLEDGEMENTS**

Your Directors would like to express their sincere appreciation for the assistance and cooperation received from Central and State Governments, Financial Institutions, KIIFB, Banks, CIAL and CIAL Infrastructures Limited during the period under review. Your Directors are grateful to the Company's valued shareholders for their unstinted support and patronage and look forward to receive the same in equal measures in the years to come.

**for and on behalf of the Board of Directors**

sd/-

**Pinarayi Vijayan**  
**Chairman**  
**(DIN:01907262)**

Date : 23<sup>rd</sup> June 2022

Place : Thiruvananthapuram

## Form AOC – 2

(Pursuant to clause (h) of Sub – Section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules 2014

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub - Section (1) of Section 188 of Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

## 1. Details of contracts or arrangements or transactions not at Arm's length basis

Sl. No.	Particulars	Details
1	Name (s) of the related party	Nil
2	Nature of relationship	Nil
3	Nature of contracts / arrangements / transaction	Nil
4	Duration of the contracts / arrangements / transactions	Nil
5	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
6	Justification for entering into such contracts or arrangements or transactions	Nil
7	Date of approval by Board	Nil
8	Amount paid as advance, if any	Nil
9	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188	Nil

## 2. Details of contracts or arrangements or transactions at Arm's length basis

Sl. No.	Name of the related party	Nature of relationship	Nature of contracts / arrangements / transaction	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by Board	Amount paid as advance, if any
1.	Cochin International Airport Limited	Enterprise where significant influence of KMP/ their relative exist	Lease rentals of boats and other equipment	NA	Lease rentals of boats and other equipment - Rs.2,00,000/-	29.06.2019	Nil
2.	CIAL Infrastructures Limited	Enterprise where significant influence of KMP/ their relative exist	Reimbursement of expenses incurred	NA	Reimbursement of expenses incurred – Rs.17,84,554/-	NA	Nil

for and on behalf of the Board of Directors

sd/-

**Pinarayi Vijayan**  
Chairman  
(DIN:01907262)

Date : 23<sup>rd</sup> June 2022

Place : Thiruvananthapuram



**Energy Conservation initiatives by Kerala Waterways and Infrastructures Limited**

1. High efficiency air conditioner system with scroll compressor has been used in the administrative office at airport premises, instead of conventional rotary type systems.
2. Vertical blinds are provided for entire glass area for reducing heat load, which in turn reduces capacity of air conditioning system.
3. High luminous efficiency LEDs are used for lightings at offices.

There are no activities relating to technology absorption in connection with operations of the Company.

**(Rs. in thousands)**

Foreign Exchange Earnings and outgoings (receipts and payments in USD)	2021-22	2020-21
CIF value of Imports	Nil	Nil
Foreign Exchange Earnings	Nil	Nil
Expenditure in foreign currency	Nil	Nil
Amount remitted during the year in foreign currency	Nil	Nil

**for and on behalf of the Board of Directors**

sd/-

**Pinarayi Vijayan**  
**Chairman**  
**(DIN:01907262)**

Date : 23<sup>rd</sup> June 2022

Place : Thiruvananthapuram

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of KERALA WATERWAYS AND INFRASTRUCTURES LIMITED**

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

##### **Opinion**

We have audited the accompanying financial statements of **KERALA WATERWAYS AND INFRASTRUCTURES LIMITED** ("the Company"), which comprise the Balance Sheet as at **31<sup>st</sup> March 2022**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **31<sup>st</sup> March 2022**, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

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

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially mis-stated.

If, based on the work we have performed, we conclude that there is a material mis-statement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting standards specified u/s 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### **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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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:

The Company has not paid any managerial remuneration during the year.

- 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 does not have any pending litigation which would impact its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The company has not declared or paid the dividend during the year and is in compliance with Section 123 of the Companies Act 2013.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

for **NAYAR & MENON**  
Chartered Accountants (FRN: 002454S)

Sd/-

**CA G. JAGANATHA KAMATH FCA**

Partner (M.No: 022584)

UDIN: 22022584AMKWP2553

Place : Kochi

Date : 23<sup>rd</sup> June 2022

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of KERALA WATERWAYS AND INFRASTRUCTURES LIMITED 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 **KERALA WATERWAYS AND INFRASTRUCTURES LIMITED** (“the Company”) as of **31<sup>st</sup> March 2022** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company 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 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 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 internal financial controls system over financial reporting of the Company.

### Meaning of Internal Financial Controls Over Financial Reporting

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

### 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 31<sup>st</sup> March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **NAYAR & MENON**  
Chartered Accountants (FRN: 002454S)

Sd/-

**CA G. JAGANATHA KAMATH FCA**

Partner (M.No: 022584)

UDIN: 22022584AMKWP2553

Place : Kochi

Date : 23<sup>rd</sup> June 2022

## **ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KERALA WATERWAYS AND INFRASTRUCTURES LIMITED of even date)**

- i)
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
  - b) The Company doesn't have any intangible assets and hence no reporting is required in this regard.
  - c) Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
  - d) The Company doesn't hold any immovable properties and hence no reporting is required in this regard.
  - e) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) during the year.
  - f) No proceedings have been initiated during the year or are pending against the Company as at March 31 2022 for holding any benami property under the Benami Transactions (Prohibition) Act 1988 (as amended in 2016) and rules made thereunder.
- ii) The company does not hold any inventory and hence no reporting required in this regard.
- iii) The company has not made investments in, provided any guarantee or security or granted any loans, secured or unsecured to companies, firms or other parties covered in register maintained under Section 189 of The Companies Act 2013 and hence reporting under clause 3(iii)(a) of the order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- v) The Company has not accepted deposit from the public during the year and does not have any unclaimed deposits as at March 31, 2022 and therefore, the provisions of the Clause 3 (v) of the Order are not applicable to the Company.
- vi) The company is not required to maintain cost records as specified in subsection (1) of Section 148 of the Companies Act 2013.
- vii)
  - a) The company is regular in depositing undisputed statutory dues with appropriate authorities.
  - b) According to the records of the company, there are no statutory dues which have not been deposited on account of any delay.
- viii) There were no transactions relating previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961.
- ix)
  - a) The company has not defaulted in any repayment of dues to any financial institution or bank or debenture holders.
  - b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



- c) The Company doesn't have any term loan and so we do not comment upon the utilisation of the same.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) a) The Company has not made any initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.  
b) As regards to the clause 3(x)(b) of the Order we hereby report that the Company has made private placement of shares and complied with the requirements of Sec 42 & Sec 62 of the Companies Act 2013 and utilised the funds for the purpose for which the same has been collected.
- xi) a) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.  
b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.  
c) According to the information and explanations given to us and based on our examination of the records of the Company no whistle blower complaints have been received.
- xii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid any managerial remuneration.
- xiii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards
- xv) According to Section 138 of the Companies Act 2013 the Company is not required to have an internal audit system.
- xvi) 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 to its directors and hence provisions of Section 192 of the Companies Act 2013 are not applicable to the Company.
- xvii) a) The Company is not required to be registered under Section 45 -IA of the Reserve Bank of India Act 1934.

**NAYAR & MENON**  
Chartered Accountants

Phone: 0484 2405812 Mob: 8129533998  
1<sup>st</sup> Floor, Mubarak Complex, Opp. Lisie Hospital, Kochi 682 018  
Email: info@nayarandmenon.in

- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xviii) The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year as shown below:
- Current Financial Year 2021-22 Rs.3.22 Lakhs  
Previous Financial Year 2020-21 Rs.25.51 Lakhs
- xix) There has been no resignation of the statutory auditors of the Company during theyear
- xx) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xxi) a) The Company is not required to comply with Section 135 of the Companies Act 2013 and hence no reporting is required regarding unspent CSR amount.

for **NAYAR & MENON**  
Chartered Accountants (FRN: 002454S)

Sd/-

**CA G. JAGANATHA KAMATH FCA**  
Partner (M.No: 022584)  
UDIN: 22022584AMKWP2553

Place : Kochi  
Date : 23<sup>rd</sup> June 2022

## KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

### BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2022

(Rupees in '000)

Particulars	Note No:	As at 31.03.2022	As at 31.03.2021
<b>I. ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	708.46	-
(b) Financial assets			
(i) Other Financial assets	5	73,541.64	65,519.88
(c) Deferred tax asset		2,060.58	-
(d) Other non-current assets	6	13,891.16	10,159.13
(e) Income Tax Assets	7	1,277.60	44.17
<b>Current Assets</b>			
(a) Financial assets			
(i) Cash & Cash equivalents	8	77,363.02	6,847.03
(ii) Other Financial assets	9	5,959.76	2,016.63
<b>Total Assets</b>		<b>174,802.22</b>	<b>84,586.84</b>
<b>II. EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	10	176,400.07	88,200.07
(b) Other equity	11	(5,864.73)	(7,593.01)
<b>Total Equity</b>		<b>170,535.34</b>	<b>80,607.06</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payable			
Total outstanding dues to MSME	12	-	614.27
Total outstanding dues of creditors other than MSME	12	1,186.55	1,922.35
(ii) Other Financial Liabilities	13	473.90	1,302.23
(b) Other current liabilities	14	2,606.43	140.93
<b>Total Liabilities</b>		<b>4,266.88</b>	<b>3,979.78</b>
<b>Total Equity and Liabilities</b>		<b>174,802.22</b>	<b>84,586.84</b>
See accompanying notes forming part of the financial statements.	1 - 36		

For and on behalf of the Board of Directors

In terms of our report of even date attached

sd/-  
**S. Suhas IAS**  
Managing Director  
(DIN:08540981)

sd/-  
**Jose Thomas P**  
Director  
(DIN:02905126)

sd/-  
**Mary Pauly Aricatt**  
Company Secretary &  
Chief Financial Officer

for **NAYAR & MENON**  
Chartered Accountants (FRN: 002454S)

sd/-

**CA G. JAGANATHA KAMATH FCA**

Partner (M.No: 022584)

UDIN: 22022584AMKWP2553

Place: Thiruvananthapuram  
Date : 23<sup>rd</sup> June 2022

## KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

### STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2022

(Rupees in '000)

Particulars		Note No:	For the year ended 31.03.2022	For the year ended 31.03.2021
<b>I</b>	<b>Income:</b>			
	Revenue from operations (gross)	15	11,689.39	-
	Other income	16	1,169.20	654.93
	<b>Total Income</b>		<b>12,858.59</b>	<b>654.93</b>
<b>II</b>	<b>Expenses</b>			
	Employee Benefits	17	1,659.14	880.79
	Depreciation and amortization expense		10.73	-
	Finance Cost		-	-
	Other expenses	18	11,521.02	2,324.93
	<b>Total expenses</b>		<b>13,190.89</b>	<b>3,205.72</b>
<b>III</b>	<b>Profit / (Loss) before exceptional Items and tax</b>		<b>(332.30)</b>	<b>(2,550.79)</b>
<b>IV</b>	<b>Exceptional Items</b>		-	-
<b>V</b>	<b>Profit / (Loss) before tax</b>		<b>(332.30)</b>	<b>(2,550.79)</b>
<b>VI</b>	<b>Tax expense:</b>			
	(a) Current tax		-	-
	(b) Deferred tax		<b>(154.19)</b>	-
	<b>Total tax expenses</b>		<b>(154.19)</b>	-
<b>VII</b>	<b>Profit / (Loss) after tax for the year</b>		<b>(178.11)</b>	<b>(2,550.79)</b>
<b>VIII</b>	<b>Other Comprehensive income</b>			
	- Item that will not be reclassified to profit or loss		-	-
	- Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>IX</b>	<b>Total comprehensive income for the period (Profit / (loss) + other comprehensive income)</b>		<b>(178.11)</b>	<b>(2,550.79)</b>
<b>X</b>	<b>Earning per equity share</b>			
	(a) Basic	19	(0.02)	(0.29)
	(b) Diluted	19	(0.02)	(0.29)

For and on behalf of the Board of Directors

In terms of our report of even date attached

sd/-  
**S. Suhas IAS**  
Managing Director  
(DIN:08540981)

sd/-  
**Jose Thomas P**  
Director  
(DIN:02905126)

sd/-  
**Mary Pauly Aricatt**  
Company Secretary &  
Chief Financial Officer

for **NAYAR & MENON**  
Chartered Accountants (FRN: 002454S)

sd/-  
**CA G. JAGANATHA KAMATH FCA**  
Partner (M.No: 022584)  
UDIN: 22022584AMKWP2553

Place: Thiruvananthapuram  
Date : 23<sup>rd</sup> June 2022

## KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

#### A Equity Share Capital (Rupees in '000)

Particulars	Notes	Amount	Number of Equity Shares (Thousands)
<b>Balance at 31<sup>st</sup> March 2020</b>		88,200.07	8,820.007
Changes in equity share capital during the year			
(a) Shares Issued during the year		-	-
<b>Balance at 31<sup>st</sup> March 2021</b>	<b>10</b>	<b>88,200.07</b>	<b>8,820.007</b>
Changes in equity share capital during the year			
(a) Shares Issued during the year		88,200.00	8,820.00
<b>Balance at 31<sup>st</sup> March 2022</b>		<b>176,400.07</b>	<b>17,640.007</b>

#### B Other Equity (Rupees in '000)

Particulars	Retained Earnings	Share application money pending allotment	Other Comprehensive Income	Total
<b>Balance as on 31<sup>st</sup> March 2020</b>	<b>(5,042.22)</b>	-	-	<b>(5,042.22)</b>
Add: Profit/ (Loss) for the year as Statement of Profit and Loss	(2,550.79)	-	-	(2,550.79)
Add: Share application money received during the year			-	-
Less: Share allotment made during the year			-	-
<b>Balance as on 31<sup>st</sup> March 2021</b>	<b>(7,593.01)</b>	-	-	<b>(7,593.01)</b>
Add: Profit/ (Loss) for the year as Statement of Profit and Loss	(178.11)	-	-	(178.11)
Less: DTA for unabsorbed losses	1,906.40			1,906.40
Add: Share application money received during the year		88,200.00	-	88,200.00
Less: Share allotment made during the year		(88,200.00)	-	(88,200.00)
<b>Balance as on 31<sup>st</sup> March 2022</b>	<b>(5,864.73)</b>	-	-	<b>(5,864.73)</b>

For and on behalf of the Board of Directors

In terms of our report of even date attached

sd/-  
**S. Suhas IAS**  
Managing Director  
(DIN:08540981)

sd/-  
**Jose Thomas P**  
Director  
(DIN:02905126)

sd/-  
**Mary Pauly Aricatt**  
Company Secretary &  
Chief Financial Officer

for **NAYAR & MENON**  
Chartered Accountants (FRN: 002454S)

sd/-

**CA G. JAGANATHA KAMATH FCA**

Partner (M.No: 022584)

UDIN: 22022584AMKWP2553

Place: Thiruvananthapuram  
Date : 23<sup>rd</sup> June 2022

## KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

(Rupees in '000)

	Particulars	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	<b>Net Profit before Tax</b>	<b>(332.30)</b>	<b>(2,550.79)</b>
	<b>Adjustments for:</b>		
	Depreciation and Amortisation	10.73	-
	Finance Cost	-	-
	Interest Income	(1,086.55)	(629.34)
	Profit on sale of fixed assets	-	-
	<b>Operating Profit before Working Capital Changes</b>	<b>(1,418.85)</b>	<b>(3,180.13)</b>
	<b>Adjustments for:</b>		
	Increase/(Decrease) in other Liabilities and Provisions	287.10	(2,050.84)
	(Increase)/Decrease in Trade Receivables	-	-
	(Increase)/Decrease in Repayments and Other Receivables	(16,930.35)	(13,459.77)
	(Increase)/Decrease in Inventories	-	-
	<b>Cash generated from Operations</b>	<b>(16,643.25)</b>	<b>(15,510.61)</b>
	Tax Paid	-	-
	<b>Net Cash Flow from Operating Activities</b>	<b>(18,062.10)</b>	<b>(18,690.74)</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Acquisition of Fixed Assets	(719.19)	-
	Sale of Fixed Asset	-	-
	Investment Made	-	-
	Interest Received	1,086.55	629.34
	Security Deposits	-	-
	<b>Net Cash Flow from Investing Activities</b>	<b>378.09</b>	<b>629.34</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from issue of Share Capital	88,200.00	-
	Proceeds from Long Term Borrowings	-	-
	Repayment of Long Term Borrowings	-	-
	Dividend Paid/Transferred to IEPF	-	-
	Interest Paid	-	-
	<b>Net Cash Flow from Financing Activities</b>	<b>88,200.00</b>	<b>-</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>70,515.99</b>	<b>(18,061.40)</b>
	<b>Cash and cash equivalents at the beginning of the period</b>	<b>6,847.03</b>	<b>24,908.43</b>
	<b>Cash and cash equivalents at the end of the period</b>	<b>77,363.02</b>	<b>6,847.03</b>

For and on behalf of the Board of Directors

In terms of our report of even date attached

sd/-

**S. Suhas IAS**  
Managing Director  
(DIN:08540981)

sd/-

**Jose Thomas P**  
Director  
(DIN:02905126)

sd/-

**Mary Pauly Aricatt**  
Company Secretary &  
Chief Financial Officer

for **NAYAR & MENON**

Chartered Accountants (FRN: 002454S)

sd/-

**CA G. JAGANATHA KAMATH FCA**

Partner (M.No: 022584)

UDIN: 22022584AMKWP2553

Place: Thiruvananthapuram

Date : 23<sup>rd</sup> June 2022

## Notes forming part of the financial statements

### 1 Background

Kerala Waterways and Infrastructures Limited ('KWIL' or 'the Company') is a Public Company limited by shares, incorporated and domiciled in India. The Company is a joint venture of Government of Kerala and Cochin International Airport Limited and has its registered office at XI/318E, Cochin International Airport Bldgs, Kochi Airport P O, Nedumbassery, Ernakulam - 683 111.

Main objects of the Company is to establish, organise, manage, and operate water based infrastructure facilities for transporting passengers, goods, articles, cargo on all routes and lines on rivers, canals, backwaters, waterways, roads, subject to law in force, through all sorts of carriers like vessels, boats, house boats, barges, etc.

The financial statements were approved for issue by the Company's Board of Directors on 23<sup>rd</sup> June 2022.

### 2 Significant Accounting Policies

This note provide a list of significant accounting policies adopted in the preparation of these financial statement.

#### a Compliance with Ind AS

The financial statement comply with Indian Accounting Standard (IndAS) notified under Section 133 of The Companies Act 2013 ('the Act'), Companies Indian Accounting Standards Rules amended from time to time.

#### b Application of New Accounting Pronouncements

The Company has applied all the applicable amendments in Schedule III to the Companies Act 2013 and related Ind AS pronouncements pursuant to the issuance of the Companies (Indian Accounting Standards) Amendment Rules 2021 in the preparations of financial statements for the year under consideration:

##### (i) Amendment to Ind AS 1 - Presentation of Financial Statements and Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Error:

The definition of the term - Material has been refined to include examples of circumstances that may result in material information being obscured. The adoption of amendment to Ind AS 1 and Ind AS 8 does not have any material impact on the standalone financial statements of the Company.

##### (ii) Amendment to Ind AS 16 - Property, Plant and Equipment

The amendment has been made by substituting the words "Recoverable amount is higher of an assets fair value less costs of disposal and its value in use" with "Recoverable amount is higher of an assets fair value less costs of disposal and its value in use". The amendment to Ind AS 109 does not have any material impact on the standalone financial statements of the Company.

##### (iii) Amendment to Ind AS 101 - Presentation of Financial Statements :

The amendment to this standard have replaced the term "Financial Asset" with "Financial Instruments". The adoption of amendment to Ind AS 1 and Ind AS 8 does not have any material impact on the standalone financial statements of the Company.

#### c Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with the Ind AS.

All income and expenses to the extent considered receivable/payable with reasonable certainty are accounted for on accrual basis.

All assets and liabilities have been classified as current or non current as per Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act

The Company's presentation and functional currency is Indian Rupees (INR). All values are rounded to nearest thousand as per the requirement of Schedule III, unless otherwise stated.

**d Use of estimates and Judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements. Actual results may differ from these estimates. Difference between actual results and estimates are recognised in the period in which they materialize.

**e Revenue recognition**

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Revenue from sale of tender documents is recognized on effecting the delivery of the same. Centage charges is recognised at the point of completion of agreed services.

**f Property, plant and equipment**

**a) Recognition and measurement:**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

**b) Depreciation**

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use.

The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Category	Useful Life
Furniture and Fixtures	10 Years
Computer and Accessories	3 Years
Electrical equipments	10 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

**g Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognised when the Company has a present obligation as a result of a past event, for which it is probable that a cash flow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessment of the time value of money and the risk specific to the liability. These are reviewed at each separate balance sheet date and adjusted to reflect the correct management estimates.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required now to settle the obligation.



Contingent assets are disclosed in the accounts where an inflow of economic benefits is probable.

#### **h Taxes on income**

Current tax is determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act 1961.

Deferred tax is recognised on timing differences between taxable and accounting income/expenditure that originates in one period and are capable of reversal in one or more subsequent period(s). Deferred Tax Asset is recognised on the basis of virtual/reasonable certainty about its realisability. Since there was no virtual certainty on the generation of profits by the Company for earlier FYs, no deferred tax asset/liability had been recognised upto FY 2020-21. However since there is certainty that the Company shall be generating profit in the subsequent years, Deferred tax asset/liability has been created during the year. Further, deferred tax asset has been created on tax losses generated during FY 2017-18 to FY 2020-21, that are eligible for carry forward and set off in the subsequent years.

#### **i Earnings per share**

The earnings considered in ascertaining the companies earnings per share comprise of the net profit after tax. The number of shares used in computing the 'Basic earnings per share' is the weighted average number of equity shares outstanding during the year. The number of shares used in computing the 'Diluted earnings per share' comprises the weighted average shares considered for deriving the basic earning per share and also the weighted average number of any shares, which would have been issued on the conversion of all dilutive potential equity shares.

#### **j Cash Flow Statement**

Cash Flows are reported using the Indirect Method, whereby net profit before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

#### **k Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

### **3 Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules 2022, as below.

#### **Ind AS 16–Property Plant and equipment-**

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

#### **Ind AS 37-Provisions, Contingent Liabilities and Contingent Assets-**

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that related directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that

contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

#### 4. Property, Plant and Equipment (Rupees in Thousands)

	Cost				Depreciation				Net Carrying Amount	
	Cost as on 01.04.2021	Additions	Sales / Adjustment	Cost as on 31.03.2022	Upto 01.04.2021	For the year	Sales / Adjustment	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Electrical Equipment	-	11.70	-	11.70	-	0.04	-	0.04	11.66	-
Computers & Accessories	-	461.99	-	461.99	-	9.41	-	9.41	452.58	-
Furniture & Fixtures	-	245.50	-	245.50	-	1.28	-	1.28	244.22	-
<b>Total</b>	-	<b>719.19</b>	-	<b>719.19</b>	-	<b>10.73</b>	-	<b>10.73</b>	<b>708.46</b>	-
Previous Year	-	-	-	-	-	-	-	-	-	-

#### 5 Other Financial Assets (Rupees in Thousands)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Others		
Advances	73,541.64	65,519.88
<b>Total</b>	<b>73,541.64</b>	<b>65,519.88</b>

#### 6 Other Non-Current assets (Rupees in Thousands)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
CGST Receivable	6,317.72	4,855.68
IGST Receivable	1,255.72	447.77
SGST Receivable	6,317.72	4,855.68
<b>Total</b>	<b>13,891.16</b>	<b>10,159.13</b>

#### 7 Income Tax Assets (Rupees in Thousands)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
TDS FY 2021-22	1,277.60	-
TDS FY 2020-21	-	44.17
<b>Total</b>	<b>1,277.60</b>	<b>44.17</b>



**(iii) Particulars of shareholders holding more than 5% share in the Company**

Particulars	%	As at 31 <sup>st</sup> March 2022 (No. of shares)	As at 31 <sup>st</sup> March 2021 (No. of shares)
Governor, His Excellency	49.99%	8,820,000.00	-
Cochin International Airport Limited	49.99%	8,820,000.00	8,820,000.00

**(iv) Shareholding of promoters at the end of year**

Shares held by promoters at the end of 2022				% Change during the year
S. No	Promoter name	No. of Shares	%of total shares	
1	Cochin International Airport Limited	8,820,000.00	49.99%	50%
2	Sunil Chacko	2.00	0.001%	0%
3	Saji Kodankandath George	1.00	0.001%	0%
4	Jose Thomas Periappuram	1.00	0.001%	0%
5	Joseph Peter Painunkal	1.00	0.001%	0%
6	Jayarajan Viswanathan	1.00	0.001%	0%
7	Sankar Venkidakrishnan	1.00	0.001%	0%

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**Other Equity****(Rupees in Thousands)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
(a) Retained earnings		
Opening balance	(7,593.01)	(5,042.22)
Add: Profit/(Loss) for the year	(178.11)	(2,550.79)
Less: DTA for unabsorbed loss c/f	(1,906.40)	
<b>Total (a)</b>	<b>(5,864.73)</b>	<b>(7,593.01)</b>
(b) Share application money pending allotment		
Opening balance	-	-
Add: Share application money received	8,820.00	
Less: Share allotment made during the year	(8,820.00)	
<b>Total (b)</b>	<b>-</b>	<b>-</b>
<b>Other Equity (a+b)</b>	<b>(5,864.73)</b>	<b>(7,593.01)</b>

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**Trade Payable****(Rupees in Thousands)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Total outstanding due to Micro Enterprises and Small Enterprises (MSME)	-	614.27
<b>Sub -Total (a)</b>	<b>-</b>	<b>614.27</b>
Total outstanding dues of creditors other than MSME:-		
Amount due to related parties	885.09	1,513.09
Amount due to external parties	301.46	409.26
<b>Sub -Total (b)</b>	<b>1,186.55</b>	<b>1,922.35</b>
<b>Total (a + b)</b>	<b>1,186.55</b>	<b>2,536.62</b>

Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,186.55	-	-	-	1,186.55
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Previous year	2,536.62	-	-	-	2,536.62

**13 Other Financial Liabilities (Rupees in Thousands)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Audit fee payable	45.00	10.00
Security Deposit	328.90	655.54
Performance Security	100.00	38.11
Retention Amount	-	598.58
<b>Total</b>	<b>473.90</b>	<b>1,302.23</b>

**14 Other Current Liabilities (Rupees in Thousands)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
CGST Payable	1,054.48	0.15
SGST Payable	1,054.48	0.15
IGST Payable	0.70	0.10
TDS Payable	464.79	88.53
KSCWWF	31.98	52.00
<b>Total</b>	<b>2,606.43</b>	<b>140.93</b>

**15 Centage Charges (Rupees in Thousands)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Centage Charges	11,689.39	-
<b>Total</b>	<b>11,689.39</b>	<b>-</b>

**16 Other Income (Rupees in Thousands)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Sale of Tender Documents	80.00	20.00
Interest on Income Tax Refund	2.65	5.59
Interest Income	1,086.55	629.34
<b>Total</b>	<b>1,169.20</b>	<b>654.93</b>

**17 Employee Benefits (Rupees in Thousands)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Salary & Wages	1,659.14	880.79
<b>Total</b>	<b>1,659.14</b>	<b>880.79</b>

**18 Other Expenses (Rupees in Thousands)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Advertisement & Publicity Expenses	159.26	109.03
Audit Fee	50.00	10.00
Project Cost	9,940.31	0.00
Consultancy Charges	100.00	616.00
Rates & Tax	848.38	25.02
Lease Rent	1.90	1,200.00
Office Expenses	64.52	6.74
Hiring Charges	217.61	90.00
Printing & Stationery	4.85	2.58
Postage & Telephone	18.23	0.22
Professional Charges	94.00	66.00
Repair & Maintenance	10.71	172.27
Travelling Expenses	3.54	26.42
Miscellaneous Expenses	7.71	0.65
<b>Total</b>	<b>11,521.02</b>	<b>2,324.93</b>

**19 Disclosure as per Ind AS 33 - Earnings per Share (Rupees in Thousands)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Earnings per share</b>		
Net profit / (loss) for the year from continuing operations	(178.11)	(2,550.79)
Weighted average number of equity shares	11,768	8,820
Earnings per share: Basic & Diluted	<b>(0.02)</b>	<b>(0.29)</b>

**20 Related Party Disclosures****Related Parties and nature of relationship**

Disclosure of transaction with related parties as required by Indian Accounting standard - 24 on related party disclosures as prescribed by Companies (Accounting Standard) Rules 2006.

**A. Name of the related party and nature of relationship****a) Associate Company**

Cochin International Airport Limited

**b) Enterprises where significant influence of Key Managerial Personnel or their relatives exists:**

CIAL Charitable Trust

Air Kerala International Services Limited

Cochin International Aviation Services Limited

CIAL Dutyfree & Retail Services Limited

CIAL Infrastructures Limited

**c) Key Managerial Personnel**

Mr. S.Suhas IAS	-	Managing Director
Ms. Mary Pauly Aricatt	-	Chief Financial Officer and Company Secretary

**B. Transactions with related parties as per the books of account during the year (Rupees in Thousands)**

Nature of Transactions	31.03.2022	31.03.2021
<b>Cochin International Airport Limited</b>		
Lease rent paid	200.00	1,200.00
Expenses reimbursed from CIAL	-	1,656.39
<b>CIAL Infrastructures Ltd</b>		
Expenses reimbursed to CIAL Infrastructures Ltd	1,785.00	498.00

**C. Outstanding payables as on Balance Sheet date (Rupees in Thousands)**

Nature of Transactions	31.03.2022	31.03.2021
CIAL Infrastructures Ltd	653.10	115.09
Cochin International Airport Limited	232.00	1,398.00

**21 Contingent Liabilities & Commitments (to the extent not provided for)**

(Rupees in Thousands)

Particulars	31.03.2022	31.03.2021
a. Claims against the company not acknowledged as debt	Nil	Nil
b. Estimated amount of contracts remaining to be executed	41,797.00	19,630.39

**22 Payment to the Auditor**

(Rupees in Thousands)

Particulars	31.03.2021	31.03.2020
a. Statutory Audit Fees	50.00	10.00
b. Other Services	-	-
<b>Total</b>	<b>50.00</b>	<b>10.00</b>

**23 Major Components of Deferred Tax Asset/Deferred Tax Liability are :-**

(Rupees in Thousands)

Item	As on 01.04.2021	Current Year	As on 31.03.2022	
	Asset/(Liability)	Asset/(Liability)	Asset	Liability
Depreciation		(24.58)		24.58
Unabsorbed business loss (Current Year)		151.40	151.40	
Unabsorbed depreciation		27.37	27.37	
Unabsorbed business loss (Previous years)		1,906.40	1,906.40	
Total	-	2,060.59	2,085.17	24.58
<b>NET DTA/(DTL)</b>	<b>-</b>	<b>2,060.59</b>	<b>2,060.59</b>	

**24 The information required under Companies Act 2013 to the extent applicable to the company are given below :**

(Rupees in Thousands)

Particulars	31.03.2022	31.03.2021
Earnings in Foreign Exchange	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil
CIF Value of Imports - Capital Goods	Nil	Nil
The amount remitted during the year in foreign currencies on account of dividend	Nil	Nil

**25 Significant Ratios**

Particulars	Numerator	Denominator	31.03.2022	31.03.2021	Variance (in %)
Current Ratio	Current Assets	Current Liabilities	19.53	2.23	776.80
Return on Equity Ratio	Net profit after taxes	Share holder's Equity (Weighted average)	-0.0016	-0.0312	(94.85)
Trade payables Turnover Ratio	Purchase of service and other expenses	Average Accounts payable	6.1888	0.8292	646.39
Net Profit Ratio	Net Profit	Net Sales	-0.0258	-3.8948	(99.34)
Return on Capital Employed	EBIT	Capital Employed (Weighted average)	-0.0030	-0.0312	(90.39)

Increase in Equity share capital and cash and cash equivalents resulted in the major variance of ratios in comparison with the Previous year figures.

**26 Disclosure under Ind As 108 - Operating Segments**

The Company is operating in one single segment of infrastructure development. Hence segment wise classification of revenue and expenditure is not carried out.

**27 Willful Defaulter:**

The company is not declared as wilful defaulter by any bank or financial institution during the year.

**28 Details of charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period as on the balance sheet date is Nil (Previous year: Nil).**

**29 Transactions with Struck off Companies:**

The management confirm that the company had no transaction with any struck off companies during the year.

**30 Undisclosed Income:**

There are no transaction recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961

**31 Details of Crypto Currency or Virtual Currency:**

The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.



**32 Disclosure requirement with reference to Micro, Small and Medium Enterprises Development Act, 2006**

There are no amounts overdue to any enterprise which qualify under the definition of micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006.

**33 Disclosure on Litigation**

The Company do not have any pending litigations.

**34 Disclosure on Contracts**

The Company do not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

**35** The company has not made any investments, accordingly disclosure requirements for compliance with the number of layers prescribed under clause (87) of Section 2 of the Companies Act 2013 read with companies (Restriction on number of layers) Rules 2017 is not applicable.

**36** Previous Figures have been regrouped/reclassified wherever necessary to suit the current year's layout.

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

sd/-  
**S. Suhas IAS**  
Managing Director  
(DIN:08540981)

sd/-  
**Jose Thomas P**  
Director  
(DIN:02905126)

sd/-  
**Mary Pauly Aricatt**  
Company Secretary &  
Chief Financial Officer

**In terms of our report of even date attached**

for **NAYAR & MENON**  
Chartered Accountants (FRN: 002454S)

sd/-  
**CA G. JAGANATHA KAMATH FCA**  
Partner (M.No: 022584)  
UDIN: 22022584AMKWP2553

Place: Thiruvananthapuram  
Date : 23<sup>rd</sup> June 2022