



VISAKHAPATNAM

PORT LOGISTICS PARK LTD

A JV of Balmer Lawrie & Co. Ltd. and Visakhapatnam Port Authority

CIN: U63090WB2014GOI202678

Annual Report
2022-23

Board of Directors

Sri Adhip Nath Palchaudhuri
Sri Saurav Dutta
Sri Romon Sebastian Louis
Sri Durgesh Kumar Dubey
Sri Nara Harikrishna Raghupathruni
(with effect from 31st July 2023)

Audit Committee

Sri Saurav Dutta, Chairman
Sri Adhip Nath Palchaudhuri
Sri Nara Harikrishna Raghupathruni
(with effect from 31st July 2023)

Bankers

State Bank of India

Statutory Auditors

ADR & Associates
Chartered Accountants

Internal Auditors

Rama Subba Rao & Co.
Chartered Accountants

Secretarial Auditors

D Dutt & Co.
Company Secretaries

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VISION

*'To be a leading corporate entity in the field of logistics solutions working hand in hand
with its joint venture partners.'*

MISSION

*'To consistently grow in the chosen business segment thereby adding values to its stakeholders
keeping in mind the social and environmental responsibilities.'*

Chairman's Address

Dear Shareholders,

In today's interconnected world, logistics stand at the heart of the economy, serving as an important tool for international trade and commerce.

Logistics acts as a crucial factor for the country's economic growth. Logistics performance is very important for the businesses to increase trade competitiveness, reduce expenses and increase supply chain efficiency. Improving logistics performance by minimizing lead time, cutting transportation cost and better inventory management will help the business organizations to optimize their operations and increase profits. Such improvement in logistics performance will not only boost productivity and customer satisfaction but will also attract foreign investments for creating a favourable business environment.

Your Company has a multi modal logistics hub in Visakhapatnam. Since inception it is primarily focused on different modes of warehousing of cargos. It has open yard, which is suitable for all types of cargos, covered warehouses with and without temperature controlled facilities suiting the needs of the cargos and railway sidings to cater the smooth movement of the cargos along a 1.35 km railway track.

It is of immense pleasure to share with you that your Company has received its long awaited CFS license on 27th January 2023 and since it already had the infrastructure, it took less time to start its CFS operation, which took off from 2nd March 2023.

It is pertinent to mention that CFS is an extended arm of the Port and plays an important role in increasing Port's efficiency. Indian ports are not equipped with adequate space and infrastructure to handle the growing volumes of international trade. The EXIM cargo which cannot be kept in the Port area are shifted to different CFSs. This helps to reduce congestion in the Port area, which in turn enables the Port to maintain high security standards. CFS is a station dedicated for handling EXIM cargo, with varied activities, like, stuffing / de-stuffing of the EXIM cargo, segregation of import and export cargo, temporary storage of the EXIM cargo, customs clearance, shipments of the export cargo, etc. When containerization of the cargo gathered initial steam during the mid-80s, the Government of India conceptualized the CFS business model, with the sole intention of ensuring de-congestion inside the Port for increasing Port's efficiency and security standards.

I would now like to deliberate on the performances of our various business segments during the financial year 2022-23:

Open Yard

Open Yard is used to store large break-bulk cargo, such as machinery, construction material equipment, automobiles, and other heavy-duty equipment and commodities. Imposition of export duty on Steel products, which was effective from the second quarter of the financial year 2022-23 and non-availability of rakes to our aluminum products customers since most of the rakes were used for movement of coal, had impacted adversely our open yard business. Your Company has suffered in terms of average area utilization and consequently its revenue from this segment had reduced by 33%, as compared to the previous financial year 2021-22.

Closed Warehouse

Our ambient mechanized warehouse facility covers an area around 1,15,007 sq. ft., out of which, 58,125 sq. ft. is demarcated as a CFS area and the balance 56,882 sq. ft. as a non-CFS area. It operated at an average installed capacity of 92%, thereby generating a revenue of Rs. 328 lacs as compared to Rs. 326 lacs earned in the previous financial year 2021-22. Since the company was expecting to receive CFS license by December 2022, the EXIM portion of the warehouse was vacated by November 2022, which had resulted in reduction of capacity utilization, which was otherwise utilized with 100% capacity till November 2022.

Temperature Controlled Warehouse

The temperature controlled warehouse facility is equipped with frozen & chilled chambers with a capacity of handling 3,780 pallets. TCW had an average utilization of 100%, thereby generating a revenue of Rs.419 lacs, which is 33% of the total revenue generated during the financial year 2022-23.

Railway Siding

Railway siding is a low-speed section of rail-road track typically made with lighter rails and designed to handle less traffic and lower speed rail-car. Having a warehouse with railway siding has given us edge over the other competitors. We have a rail track of about 1.35 km and can accommodate 2 rakes at a time.

Our railway siding business suffered due to less export of steel, which was due to imposition of export duty on steel, ban on wheat export as a fall out of Ukraine war and non-availability of rakes to our aluminum products customers.

We ended up the financial year 2022-23, by handling only 60 rakes as compared to 123 rakes handled during the previous financial year 2021-22.

CFS Operations

Our CFS operations commenced from 2nd March 2023 and by 31st March 23, it handled rice exports thereby generating a revenue of Rs. 12 lacs.

Due to near location to the Port area, modern infrastructure, railway siding, cargo handling by experienced professionals, we are certain that our CFS will attract customers looking for value added services.

We are regular in paying off our quarterly instalments of the loan amount taken from the State Bank of India. Due to start of a new business, there was a situation during the financial year 2022-23, where our cash flow was not adequate to pay off the instalment for the last quarter of the financial year 2022-23 and we are obliged to our joint venture partner, Balmer Lawrie, for giving us the adequate financial support.

Your Company being an unlisted Central Public Sector Enterprise has complied with the guidelines on Corporate Governance of the Department of Public Enterprises, to the extent possible under the current scenario.

I, on behalf of the Board, acknowledge the continued support and guidance of our joint venture partners, i.e., Balmer Lawrie & Co. Ltd. and Visakhapatnam Port Authority, our administrative Ministry, i.e., the Ministry of Petroleum & Natural Gas and other ministries of the Government of India.

I would also like to thank my colleagues on the Board for their valued opinion and involvement.

Adhip Nath Palchaudhuri

7th August 2023

NOTICE

To the Members

NOTICE is hereby given that the 9th Annual General Meeting of the Members of Visakhapatnam Port Logistics Park Ltd. will be held on Friday, 8th September 2023, at 12.00 p.m., through Video Conference/ Other Audio Visual Means (OAVM), to transact the following business:

Ordinary Business:

1. To consider and adopt the audited Annual Financial Statement of the Company for the financial year ended 31st March 2023 and the Reports of the Board of Directors and the Auditors thereon, together with the comments of the Comptroller & Auditor General of India (CAG) and in this connection to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited Annual Financial Statement of the Company for the financial year ended 31st March 2023 and the Reports of the Board of Directors and the Auditors thereon, together with the comments of the Comptroller & Auditor General of India (CAG), be and is hereby considered and adopted.”

2. To appoint a Director in place of Sri Durgesh Kumar Dubey (DIN: 09207436), who retires by rotation and being eligible, offers himself for re-appointment and in this connection to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Sri Durgesh Kumar Dubey (DIN: 09207436), who retires by rotation and being eligible, offered himself for re-appointment, be and is hereby re-appointed a Non-executive Director of the Company, whose period of office shall be subject to retirement by rotation.”

3. To fix remuneration of the Statutory Auditors and to pass, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 142 and other applicable provisions of the Companies Act, 2013, the Board of Directors be and is hereby authorized to determine the amount of remuneration payable to the Statutory Auditors to be appointed under Section 139(5) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 by the Comptroller & Auditor General of India, including reimbursement of out-of-pocket expenses, if incurred by the said Auditors in connection with the audit of the Annual Financial Statement of the Company for the financial year 2023-24.”

Special Business

4. To appoint Sri Saurav Dutta (DIN: 10042140), as a Non-executive Nominee Director and to pass, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT Sri Saurav Dutta (DIN: 10042140), who has been appointed as an Additional Non-executive Nominee Director with effect from 6th March 2023 under Section 161 (a) of the Companies Act, 2013 read with the Articles of Association of Company and who shall hold such office till the ensuing 9th Annual General Meeting of the Company and in respect of whom a Notice has been received from a Member under Section 160 of the Act, proposing his candidature as a Non-executive Nominee Director of the Company and who has given his consent to act as such, be and is hereby appointed a Non-executive Nominee Director of the Company, whose period of office shall be subject to retirement by rotation.”

5. To appoint Sri Nara Harikrishna Raghupathruni (DIN: 08779978), as a Non-executive Nominee Director and to pass, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT Sri Nara Harikrishna Raghupathruni (DIN: 08779978), who has been appointed as an Additional Non-executive Nominee Director with effect from 31st July 2023 under Section 161 (a) of the Companies Act, 2013 read with the Articles of Association of Company and who shall hold office till the ensuing 9th Annual General Meeting of the Company and in respect of whom a Notice has been received from a Member under Section 160 of the Act, proposing his candidature as a Non-executive Nominee Director of the Company and who has given his consent to act as such, be and is hereby appointed a Non-executive Nominee Director of the Company, whose period of office shall be subject to retirement by rotation.”

**By Order of the Board
Visakhapatnam Port Logistics Park Ltd.**

**Adhip Nath Palchaudhuri
Director
(DIN: 08695322)**

**Place: Kolkata
Date: 7th August 2023**

NOTES

1. The Ministry of Corporate Affairs, vide its General Circular Nos. 10/2022 and 11/2022 both dated 28.12.2022, has extended the time period for holding the AGM / EGM for passing of Ordinary/ Special Resolution through 'Video Conferencing' till 30th September 2023.
2. In compliance with the provisions of the Companies Act, 2013 (*the 'Act'*) and MCA Circulars, the AGM of the Company will be conducted through VC (*hereinafter called as 'e-AGM'*). The deemed venue for the 9th e-AGM will be the Board room located at the 1st floor of its Registered Office at 21, Netaji Subhas Road, Kolkata – 700 001.
3. Since in this e-AGM the physical attendances of the Members have been dispensed with, the facility for appointment of Proxies by the Members will not be available. Hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate shareholders (*i.e. other than 1 individual, who is holding 1 Equity share, as a nominee of Balmer Lawrie & Co. Ltd.*) are required to send a scanned copy (pdf/jpg format) of its Board or governing body's resolution/ authorization, etc., authorizing their representative to attend the e-AGM on their behalf. The said resolution / authorization shall need to be sent to the person in charge of secretarial functions of the Company at ghosh.proadyotkumar@balmerlawrie.com
5. Sri Durgesh Kumar Dubey being longest in the office will retire by rotation at this 9th AGM and being eligible have offered himself for re-appointment. Pursuant to Para 1.2.5 of Secretarial Standard-2, the particulars of Sri Dubey are given in Annexure 1.
6. Sri Saurav Dutta was appointed as an Additional Non-executive Nominee Director of the Company on 6th March 2023 and will hold such office till the 9th Annual General Meeting of the Company. A Notice has been received from a Member, namely, Balmer Lawrie & Co. Ltd., proposing the candidature of Sri Saurav Dutta as a Non-executive Nominee Director of the Company (at the aforesaid 9th AGM), whose period of office will be subject to retirement by rotation. The Board in its report recommended the appointment of Sri Saurav Dutta as a Non-executive Nominee Director of the Company, whose particulars as per Para 1.2.5 of Secretarial Standard-2, are also annexed in Annexure 1.
7. Sri Nara Harikrishna Raghupathruni was appointed as an Additional Non-executive Nominee Director of the Company on 31st July 2023 and will hold such office till the 9th Annual General Meeting of the Company. A Notice has been received from a Member, namely, Visakhapatnam Port Authority, proposing the candidature of Sri Harikrishna as a Non-executive Nominee Director of the Company (at the aforesaid 9th AGM), whose period of office will be subject to retirement by rotation. The Board in its report recommended the appointment of Sri Harikrishna, as a Non-executive Nominee Director of the Company, whose particulars as per Para 1.2.5 of Secretarial Standard-2, are also annexed in Annexure 1.
8. Cut-off date has been fixed on 1st September 2023. Members holding Equity Shares as on the cut-off date will be eligible to participate and vote at the e-AGM.
9. The facility of joining the e-AGM through VC will be opened 15 minutes before the scheduled start time of the e-AGM, i.e., from 11.45 a.m. and also 15 minutes after the scheduled start time of the e-AGM, i.e., till 12.15 p.m.
10. Members may please note that the Notice and Annual Report for FY 2022-23 will also be available on the Company's website at <https://www.vplpl.com> apart from sending the same at the registered address of the Members either by hand or by courier or by any electronic means.

11. Members attending the meeting through VC/or OAVM shall be counted for the purpose of reckoning quorum under Section 103 of the Companies Act, 2013.
12. The Company has been maintaining, *inter-alia*, the following Statutory Registers at its registered office
 - i) Register of contracts or arrangements in which Directors are interested under Section 189 of the Act;
 - ii) Register of the Directors and Key Managerial Personnel and their Shareholding under Section 170 of the Act.In accordance with the MCA Circulars, the said Registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.
13. Since the Company is not mandatorily required to have provision for e-voting facility under the Act, the voting at the e-AGM shall be by way of show of hands unless Poll is demanded by any Member under Section 109 of the Companies Act, 2013.
14. In the event where poll is demanded on any item, the Members are requested to cast their vote by sending an email (recorded with the Company) to the Company at ghosh.proadyotkumar@balmerlawrie.com within half an hour from the conclusion of the meeting, except in the case of selection of the Chairman and adjournment of the meeting, which has to be taken forthwith. In respect of other items results of the Poll will be declared either on the same day (after the conclusion of the AGM) or on the next succeeding day. The result of the Poll will be posted at the Company website at <https://www.vplpl.com>
15. The resolutions passed at the e-AGM shall be deemed to be passed at the AGM of the Company.

Explanatory Statement
Under Section 102 of the Companies Act, 2013

Item No. 4

To appoint Sri Saurav Dutta (DIN: 10042140), as a Non-executive Nominee Director

Sri Saurav Dutta (DIN: 10042140), was appointed as an Additional Non-executive Nominee Director of the Company with effect from 6th March 2023 under Section 161(1) of the Companies Act, 2013 and will hold such office upto the 9th Annual General Meeting (AGM) of the Company.

Meanwhile, the Company has received a Notice under Section 160 of the Companies Act, 2013 from a Member, namely, Balmer Lawrie & Co. Ltd. (BL), wherein BL has proposed the candidature of Sri Saurav Dutta as a Non-executive Nominee Director of the Company.

A brief profile of Sri Dutta is given in Annexure 1.

The Board of Directors of the Company has recommended the passing of the concerned resolution as an Ordinary Resolution.

None of the Directors or their relatives, except Sri Dutta, is in any way, interested or concerned in this resolution.

Item no. 5

To appoint Sri Nara Harikrishna Raghupathruni (DIN: 08779978), as Non-executive Nominee Director

Sri Nara Harikrishna Raghupathruni (DIN: 08779978), was appointed as an Additional Non-executive Nominee Director of the Company with effect from 31st July 2023 under Section 161(1) of the Companies Act, 2013 and will hold such office upto the date of the 9th AGM of the Company.

Meanwhile, the Company has received a Notice under Section 160 of the Companies Act, 2013 from a Member, namely, Visakhapatnam Port Authority (VPA), wherein VPA has proposed the candidature of Sri Harikrishna as a Non-executive Nominee Director of the Company.

A brief profile of Sri Harikrishna is given in Annexure 1.

The Board of Directors of the Company has recommended the passing of the concerned resolution as an Ordinary Resolution.

None of the Directors or their relatives, except Sri Harikrishna, is in any way, interested or concerned in this resolution.

Annexure-1

Particulars of the Directors proposed for appointment and re-appointment at the 9th AGM

Name	Durgesh Kumar Dubey (re-appointment)	Saurav Dutta (appointment)	Nara Harikrishna Raghupathruni (appointment)
Date of Birth	02/04/1976	7 th March 1968	6 th August 1965
Date of appointment as Additional Director by the Board	9 th July 2021	6 th March 2023	31 st July 2023
Date of appointment by the Shareholders at the Annual General Meeting (AGM)	10 th September 2021	His tenure as an Additional Nominee Director will conclude at the 9 th AGM. His appointment will be put up before the shareholders at the 9 th AGM.	His tenure as an Additional Nominee Director will conclude at the 9 th AGM. His appointment will be put up before the shareholders at the 9 th AGM.
Date of last re-appointment at the AGM	Not applicable	Not applicable	Not applicable
Qualification	Master of Arts (Public Administration)	B.Sc. (Hons.), Chartered Accountant	1) B.E. (Mechanical Engg) 2) MOT II class certificate of competency issued by GOI
Expertise in Specific Functional areas	Administration, operations, business development and managing finances of the Port Trust.	Accounts, Finance and Tax matters	Marine, Material Handling, Business Development, PPP Projects and General Administration
Terms and conditions of appointment or reappointment.	Is in the Non-executive category, whose office is subject to retirement by rotation. While retiring by rotation can be re-appointed subject to concurrence of the shareholders, which includes approval from the nominated joint venture partner.	Is in the Non-executive category, whose office is subject to retirement by rotation. While retiring by rotation can be re-appointed subject to concurrence of the shareholders, which includes approval from the nominated joint venture partner.	Is in the Non-executive category, whose office is subject to retirement by rotation. While retiring by rotation can be re-appointed subject to concurrence of the shareholders, which includes approval from the nominated joint venture partner.
Details of the remuneration sought to be paid and the remuneration last drawn	No remuneration will be paid by the Company.	No remuneration will be paid by the Company.	No remuneration will be paid by the Company.
Number of the Board meetings attended during the financial year 2022-23	Attended all the 5(five) Board meetings held during the financial year 2022-23	After his appointment as Additional Nominee Director on 6 th March 2023, only 1 (one) Board meeting was held during the financial year 2022-23, which he attended.	Sri Nara Harikrishna Raghupathruni was appointed as an Additional Nominee Director in the financial year 2023-24. Hence this information is not applicable to him.
Relationship with other Directors, Manager and Key Managerial persons of the Company	No	No	No

Particulars of the Directors proposed for appointment and re-appointment at the 9th AGM

Name	Durgesh Kumar Dubey (re-appointment)	Saurav Dutta (appointment)	Nara Harikrishna Raghupathruni (appointment)
Directorship in Other Companies	Nil	Balmer Lawrie & Co. Ltd. Balmer Lawrie Investments Ltd. PT Balmer Lawrie Indonesia (Commissioner)	Nil
Chairman/Member in the Committees of the Boards of other Companies	Nil	In Balmer Lawrie & Co. Ltd., he is a Member of the following Committees: (a) Audit Committee (b) Stakeholders' Relationship Committee (c) Risk Management Committee In Balmer Lawrie Investments Ltd., he is a Chairman of the following Committees: (i) Stakeholders' Relationship Committee and (ii) CSR Committee and a Member of the following Committees: (i) Audit Committee and Nomination & Remuneration Committee	Nil
Nos. of shares held in the Company	0	1 <i>(as a nominee of the joint venture partner, Balmer Lawrie & Co. Ltd.)</i>	0

BOARDS' REPORT

To the Members,

We hereby take the pleasure in presenting our 9th Report together with the Audited Financial Statement for the financial year ended 31st March 2023 and the Reports of the Auditors and Comments of the Comptroller & Auditor General of India, thereon.

Industry

Logistics as an industry entails the management of transportation from raw materials to consumer goods. It is an essential part of any economic activities that involves the movement of physical items. As a country with a substantial geographic spread and the second largest population in the world, India's logistics industry faces unique challenges. The average logistics cost per GDP among BRICS countries is 11%, however, in the case of India, the cost share per GDP is 14%. The high cost of logistics can be attributed to an inefficient modal mixture, especially with the dominant road segment. In order to reduce the logistics cost, the Government is encouraging development of multi modal logistics park/hub across the country through public/private partnerships. Logistics is a crucial part of various businesses and has experienced remarkable growth in the recent years. In fact, the Indian logistics industry is poised to expand at a CAGR of 10-12% to reach a market value of \$380 billion by 2025.

State of the Company's affairs

Visakhapatnam Port Logistics Park Ltd. is a joint venture of Balmer Lawrie & Co. Ltd. and Visakhapatnam Port Authority with equity participation of 60:40, in the paid up equity share capital of the Company. It was formed on 24th July 2014 under the Companies Act, 2013 with the sole objective of building and operating a Multimodal Logistics Hub (MMLH) on a land admeasuring around 53 acres in Visakhapatnam, which was taken on 30 years long term lease from Visakhapatnam Port Authority.

We are delighted to share with you that the Company has finally got its long awaited CFS license on 27th January 2023. Prior to the receipt of license, the Company was having the requisite infrastructure for CFS operations and therefore it took about a month to prepare for the new activity, which finally took off from 2nd March 2023. Upon inclusion of the new business activity, the Company has now five business segments, open yard, mechanised warehouse, temperature controlled warehouse, railway siding and container freight station or in short CFS. Our MMLH is now allowed to store and handle not only domestic cargo but also the EXIM cargo and therefore it is a one-stop shop having all kinds of logistics solutions. Our CFS with its state of art infrastructure, easy road and rail connectivity, well-built parking space of the trucks, rest rooms for the labourers, railway siding of 1.35 km. will attract customers looking for value added services. One more important point about our CFS is that it just 13 km. away from the main VCT port.

Financial Summary

The summary of the financial results of the Company for the year ended 31st March 2023, has been furnished below:

Rs. in lacs

	FY 2022-23	
Income from Operation	1235.72	
Other Income	20.57	
Total Income		1256.29
Expenses		487.29
EBITA		769.00
Finance Cost		836.41
Depreciation & Amortization Expenses		986.90
Profit / (Loss)		(1054.31)

Updates on Business Segments

Open Yard

During the financial year 2022-23, our open yard business operated at an average of 24% of the installed capacity thereby generating a revenue of Rs. 436 lacs as compared to Rs. 649 lacs earned in the previous financial year 2021-22. The main customers of this business segment deals with steel and aluminium products. Due to imposition of export duty on steel products on and from the second quarter of the financial year 2022-23, there was less export of Steel products. The customers of aluminium products had a problem in getting adequate rakes since majority of the rakes were used for movement of coal. These factors have adversely affected our open yard business and consequently there was less storage and handling of steel and aluminium products.

Mechanised Warehouse

The ambient mechanised warehouse facility covers around 1,15,007 sq. ft., out of which, 58,125 sq. ft. is demarcated as a CFS area and the balance 56,882 sq. ft. as a non-CFS area. It operated at an average installed capacity of 92%, thereby generating a revenue of Rs. 328 lacs as compared to Rs. 326 lacs earned in the previous financial year 2021-22. The Company was expecting to receive CFS license by December 22 and therefore the EXIM portion of the warehouse was vacated by November 2022. This had resulted in reduction of capacity utilization, which was otherwise utilised with 100% capacity till November 2022.

Temperature Controlled Warehouse (TCW)

The temperature controlled warehouse facility is equipped with frozen & chilled chambers with a capacity of handling 3,780 pallets. The TCW business operated at an average of 100% of the installed capacity, thereby generating a revenue of Rs. 419 lacs as compared to Rs. 337 lacs earned during the previous financial year 2021-22.

Railway Siding

Our hub has a rail track of about 1.35 km and can accommodate 2 rakes at a time. This facility is used for transportation of aluminium, steel products, and agricultural commodities. During the year under review, our railway siding business had handled 60 rakes as compared to 123 rakes handled in the previous financial year 2021-22. This business segment suffered, since less number of rakes were available for movement of goods of our customers. This shortage of rakes was due to increase usage of rakes for coal movements.

CFS Operations

The Company after getting its CFS license from the appropriate authority started its CFS operation from 2nd March 2023. Due to near location to the Port area, modern infrastructure, railway siding, handling by experienced professionals, our CFS will attract customers, who are looking for value added services. It offers varied services, like, cargo handling, warehousing, container repairing and servicing, transportation, logistics and liaison services. It is aiming to cater to a wide range of industries, like rice, ferro, project cargo, refractory items, aluminium, steel, and agricultural products. It started with handling of export of rice and by the year end 31st March 2023 had handled 74 nos. of export containers, thereby generating a revenue of Rs. 12 lacs.

Share capital

The paid-up equity Share Capital of the Company as on 31st March 2023 was Rs.135,06,49,630 (Rupees One Hundred and Thirty-Five Crores Six Lakhs Forty-Nine Thousand Six Hundred and Thirty only) consisting of 13,50,64,963 (Thirteen Crores Fifty Lakhs Sixty-Four Thousand Nine Hundred and Sixty-Three) equity shares of Rs.10/- (Rupees Ten) each.

During the year under review, the Company has not issued and allotted any Equity or Preference shares.

Provision of money made by the Company for purchase of its own shares

The Company has not provided any money to any person for purchase of its own shares during the financial year ended 31st March 2023.

Debenture

Since inception and till the date of reporting, the Company has not issued and allotted any Debentures.

Loans, Guarantees and Investments

The Company during the year under review has neither given any loan directly or indirectly nor given any guarantee or provided any security in connection with a loan to any person or body corporate and also not acquired by way of subscription, purchase or otherwise any security of any body-corporate.

Transfer to Reserve

Since the Company ended up the year 2022-23 with a loss, so there is no issue of transferring a portion of the Profit to its Reserves.

Dividend

Since the Company has incurred a loss for the financial year 2022-23 and has no accumulated reserves, your Directors are not in a position to recommend any dividend for the financial year ended 31st March, 2023.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the report

No material changes and commitments have occurred after the close of the financial year 2022-23 and till the date of this Report, which could affect the financial position of the Company.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report as per the provisions of DPE's Corporate Governance Guidelines is attached and separately marked as **Annexure 1**.

Names of companies which have become or ceased to be its subsidiaries, joint venture or associate companies during the year

Since inception, the Company neither has any Subsidiary, Joint Venture or Associate Company.

Disclosures as per the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

There is no requirement of forming an "Internal Complaints Committee" under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. However, the Company did not receive any such complaint under the Act.

Complaints under the "Right to Information Act, 2005"

During the year under review the Company did not receive any request for information under the 'Right to Information Act, 2005'.

Whistle Blower Policy

The whistle blower mechanism was introduced with effect from 13th May 2022. From 13th May 2022 and till the end of the financial year, i.e., 31st March 2023, the Company did not receive any complaint under the Whistle Blower Policy.

Vigilance

No vigilance cases were reported during the year under review.

Conservation of Energy, Technology Absorption Foreign Exchange Earnings and Outgo

The Company continued with the following Energy conservation techniques in its facilities:

a) LED Lighting:

LED lights were installed instead of CFL or incandescent lights, which had reduced the consumption of electricity.

b) Screw Compressors:

In its temperature controlled warehouse, screw compressors have been installed instead of conventional reciprocating compressors. These compressors are fully automatic with built-in variable step wise capacity control ranging from 0-100 %, whereas reciprocating compressors have limited step-wise control. Screw compressors are highly efficient as they run at about 2950 rpm. Screw compressor gives an accurate temperature for processes. A screw compressor reduces consumption of electricity to the tune of 9-12% as compared to conventional reciprocating compressors.

c) VFD:

The motors of the compressor are fed with Variable Frequency Drive (VFD) starter, instead of fixed speed drive which had reduced the consumption of electrical energy.

d) Inverter Type Split AC:

The split ACs, which were installed are inverter type which can regulate the speed of its compressor motor as per the requirement thereby reducing the consumption of electricity.

e) APFC Panel:

Automatic power factor control panel (APFC) were installed, which helped the units to automatically switch ON and OFF, as per the requirement, thereby reducing the overall energy consumption.

Apart from the above, no new technology has been adapted by the Company. During the year under review, there was no Foreign Exchange Earnings and Outgo.

Risk Management Policy

The Company has in place a risk management policy. Under this policy, various risks are identified and measures are taken to mitigate the risk. A note on different financial risk attached to the business of the Company are covered under Note 25.2 of Additional disclosures forming part of Financial Statement for the year ended 31st March, 2023.

Corporate Social Responsibility (CSR)

The Company did not earn any Profit for the last three years preceding the financial year 2022-23 and therefore during the year under review, the company was not mandatorily required to spend any amount on account of CSR under Section 135 (5) of the Companies Act, 2013. The company did not fall into any of the threshold limits provided u/s 135 (1) of the Companies Act, 2013 and accordingly it was not required to form a CSR Committee.

Report on Corporate Governance

Pursuant to the Corporate Governance Guidelines 2010 of the Department of Public Enterprises, a separate section titled 'Report on Corporate Governance', is being furnished and marked as **Annexure – 2.**

M/s. N K & Associates, Company Secretaries, have examined compliance of the provisions of the Corporate Governance Guidelines and has issued a certificate dated 4th July 2023, which is annexed to this Report and marked as **Annexure -3.**

The response of the management to the observations, qualification or remarks of N K & Associates, are given hereunder:

Sl. no.	Observations	Management comments
1	The Company did not have minimum required independent Directors on its Board during the year.	<i>Since the Company is still in its nascent stage of overall projected operations, is yet to make a requisition to the Department of Public Enterprises through its administrative ministry for appointment of independent Directors on its Board.</i>
2	The Company has more than 3 months gap in the two meetings held between the period from 04.02.2022 to 13.05.2022 and 31.10.2022 to 02.02.2023.	<i>In the first instance, i.e., where the gap between two successive meetings held on 4th February 2022 and 13th May 2022, exceeded 3 months It was due to delay in completion of the statutory audit of the Annual Financial Statement 2021-22, within the statutory dead line of 4th May 2022. In the second instance, i.e., where the gap between two successive meetings held on 31st October 2022 and 2nd February 2023, exceeded 3 months. The meeting was scheduled on 27th January 23 but could not be held due to urgent ministerial meeting of one of our Directors and hence it was postponed to 2nd February 2023. .</i>
3	The Audit Committee of the Company has been constituted but there is no independent Director.	<i>Please refer management comment no. 1</i>
4	The Company has not appointed a Company Secretary but a designated professional is assigned to act as the Secretary to the Board and the committee	<i>Since the Company is still in its nascent stage of overall projected operations, it is yet to appoint whole-time key managerial personnel, including the Company Secretary. All requisite management services are provided by the qualified and experienced employees of one of the joint venture partner, including the secretarial functions of the Company. A senior professional, who is an employee of the joint venture partner company, having requisite qualification, acts as the Secretary to the Board and the Board Committee of the Company.</i>

Sl. no.	Observations	Management comments
5	The Company did not have any Remuneration Committee as there was no key managerial personnel to whom remuneration was payable	<i>The Company is still in its nascent stage of overall projected operations and therefore as of now has only 5 employees in its rolls who all are either junior or middle level employees. There is no senior level employees, including the KMPs, where evaluation and recommendation on their appointment and remuneration are required. Even none of the Board members are Executive, where remuneration is to be paid. Under such circumstances, there is no requirement of a Remuneration Committee.</i>
6	The Company has not constituted vigil mechanism and hence review of vigil mechanism for directors and employees concern was not complied	<i>The Company has a whistle blower policy, which is the same in terms of objective and purpose that of a vigil mechanism.</i>

Board of Directors

Directors

As on 31st March 2023, the Board of Directors consist of the following Directors:

Sl. No.	Name of the Directors	Position held	Date of Appointment
1	Sri Adhip Nath Palchaudhuri	Non-executive Director	01.03.2020
2	Sri Saurav Dutta	Non-executive Director	06.03.2023
3	Sri Romon Sebastian Louis	Non-executive Director	01.03.2020
4	Sri Durgesh Kumar Dubey	Non-executive Director	09.07.2021
5	*Sri Venu Prasad Ambata	Non-executive Director	09.07.2021

**Sri Venu Prasad Ambata ceased from the Board of Directors with effect from 1st July 2023.*

Sri Nara Harikrishna Raghupathruni was appointed as an additional non-executive nominee director with effect from 31st July 2023.

Independent Directors and its declaration

Pursuant to Notification number GSR 839(E) dated 5th July 2017, the Company being a joint venture, is not required to have any independent Directors on its Board. The Corporate Governance Guidelines, 2010, of the Department of Public Enterprises, which is applicable to the Company, stipulates of having at least two independent Directors on its Board. As on the date of this report, the Company does not have any independent Director on its Board.

Policy on Directors appointment and remuneration and Board's evaluation

The Directors of the Company are appointed on the basis of the recommendation of the joint venture partners. None of the Directors receive any sort of remuneration including sitting fee for attending meetings of the Board and the Board Committee. Under such circumstances, there is no requirement for the Company of framing a Policy for its Directors' appointment and their remuneration. Since the power to appoint and remove the Directors, lies with the joint venture partners, there is no scope of evaluation of the performance of the Directors. Moreover, since your Company is a Government Company, these requirements are not applicable.

Managerial Remuneration

None of the Directors of the Company, receives any sort of remuneration from the Company, including sitting fees for attending the Board and Board Committee meetings.

Board meetings

During the financial year 2022-23, the Board met FIVE (5) times, on 13th May 2022, 27th July 2022, 31st October 2022, 2nd February 2023 and 29th March 2023. The intervening gap between any two Board Meetings of the Company never crossed 120 days, as prescribed under the Companies Act, 2013.

The Company continued with the practise of allowing its out-stationed Directors to attend the Board and Board Committee meetings through video conference.

The attendance of the Directors at the Board meetings is briefed below:

Date of the Board meeting	Name of the Directors					
	Adhip Nath Palchaudhuri	*Sandip Das	Romon Sebastian Louis	Durgesh Kumar Dubey	Venu Prasad Ambata	**Saurav Dutta
13.05.2022	Present	Present	Present	Present	Present	NA
27.07.2022	Present	Present	Present	Present	Present	NA
31.10.2022	Present	Absent	Present	Present	Present	NA
02.02.2023	Present	NA	Present	Present	Present	NA
29.03.2023	Present	NA	Present	Present	Present	Present

*Ceased from the Board with effect from 1st January 2023

** was appointed on the Board with effect from 6th March 2023

Details of Directors who were appointed or have ceased to be on the Board during the year

During the financial year 2022-23, Sri Saurav Dutta, a representative of a joint venture partner, namely, Balmer Lawrie & Co. Ltd., (referred to herein in short 'Balmer Lawrie') was appointed as an Additional Non-executive Nominee Director with effect from 6th March 2023. Sri Saurav Dutta, as per the provisions of the Companies Act, 2013, will hold office till the ensuing 9th Annual General Meeting of the Company. Meanwhile, the Company has received a Notice from Balmer Lawrie, nominating Sri Saurav Dutta as a Non-executive Nominee Director, whose period of office will be subject to retirement by rotation. The Directors recommend the appointment of Sri Saurav Dutta as a Non-executive Nominee Director of the Company.

Sri Sandip Das retired from the services of Balmer Lawrie with effect from the close of business hours on 31st December 22. Accordingly, Balmer Lawrie had withdrawn its nomination in favour of Sri Sandip das, who ceased to be on the Board of Directors of the Company with effect from 1st January 2023.

After the conclusion of the financial year 2022-23 and as on the date of reporting, there was a change in composition of the Board.

Sri Venu Prasad Ambata ceased to be on the Board with effect from 1st July 2023. Sri Nara Harikrishna Raghupathruni was appointed as an Additional Non-executive Nominee Director on the Board of Directors with effect from 31st July 2023. Sri Nara Harikrishna Raghupathruni, as per the provisions of the Companies Act, 2013, will hold office till the ensuing 9th Annual General Meeting of the Company. Meanwhile the Company has received a Notice from Visakhapatnam Port Authority, nominating Sri

Harikrishna as a Non-executive Nominee Director, whose period of office will be subject to retirement by rotation. Your Directors recommend the appointment of Nara Harikrishna Raghupathruni, as a Non-executive Nominee Director of the Company.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(3) (c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state that:

- 1) In the preparation of the Annual Financial Statement for the financial year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 2) The Directors had 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 at the end of the financial year on 31st March 2023 and of the Profit and Loss of the Company for that period;
- 3) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) The Directors had prepared the Annual Accounts for the financial year ended 31st March, 2023 on a going concern basis;
- 5) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were generally operating effectively;
- 6) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Audit Committee

The Audit Committee was constituted on 3rd February 2021.

As on 31st March 2023, its composition comprises the following Non-executive Directors:

- (a) Sri Saurav Dutta, Chairman;
- (b) Sri Adhip Nath Palchaudhuri; and
- (c) Sri Venu Prasad Ambata

During the financial year 2022-23, the Audit Committee met 5 (five) times on 13th May 2022, 27th July 2022, 31st October 2022, 2nd February 2023 and 29th March 2023.

During the year under review, Sri Sandip Das, ceased to be the Chairman and Member of the Audit Committee with effect from 1st of January 2023. Sri Saurav Dutta was appointed as the Chairman and Member of the Audit Committee with effect from 29th March 2023.

After the conclusion of the financial year 2022-23 and as on the date of reporting, there was a change in composition of the Audit Committee.

Sri Venu Prasad Ambata ceased to be the Member of the Audit Committee with effect from 1st July 2023. Sri Nara Harikrishna Raghupathruni was appointed as the Member of the Audit Committee with effect from 31st July 2023.

Key Managerial Personnel

Though the Company has started its CFS operations from 2nd March 2023 but it is still in the nascent stage of its projected operational activities. Due to cost factor, the appointments of the key managerial personnel (KMP) are kept on hold. However, the key managerial services are provided by the designated employees of its joint venture partner, Balmer Lawrie & Co. Ltd..

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future

No such order has been passed by any Court or Tribunal or Regulator, which had impacted adversely the going concern/future operation status of the Company.

Auditors & Auditors' Report

Statutory Auditors

Pursuant to Section 139 (5) of the Companies Act, 2013, the Comptroller & Auditor General of India vide their letter dated 29th August 2022, had re-appointed M/s. ADR & Associates, Chartered Accountants, as the Statutory Auditors of the Company for the financial year 2022-23.

Qualification, reservation, adverse remark or disclaimer made by the Statutory Auditors and the corresponding Management Response

The Report of the Statutory Auditors on Annual Financial Statement of the Company for the financial year ended 31st March, 2023, does not have any reservation or qualified remark. The Report of the Statutory Auditors is attached with the said audited Annual Financial Statement.

Adequacy of internal financial controls

The Statutory Auditors in its Report dated 15th May 2023, has opined that the Company, in all material respect, has an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, 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.

Comments of Comptroller & Auditor General of India

The office of the Comptroller & Auditor General of India (CAG) has not conducted supplementary audit of the Annual Financial Statement of the Company for the financial year ended 31st March 2023, which is mentioned in the comments of the CAG dated 21st June 2023 and appearing in the Annual Report along with the said audited Annual Financial Statement.

Secretarial Auditors

Pursuant to Section 204 of the Companies Act, 2013, the Board's Report has to annex the Secretarial Audit Report given by a Company Secretary-in-practice.

The Company appointed M/s D Dutt & Co., Practicing Company Secretaries, as its Secretarial Auditors to audit the Secretarial records and documents of the Company for the financial year ended 31st March 23 and give its Report in MR-3 format. M/s. D Dutt & Co., after conducting audit of the records and documents of the Company for the financial year ended 31st March 23 given its report dated 20th July 2023, which is annexed and marked as 'Annexure 4'.

The response of the management to the observations, qualification or adverse remarks of the Secretarial Auditors are as under:

Sl. no.	Observations	Management's Comments
1.	The Company being a joint venture is not required to have independent Director(s) under Section 149(4) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. However, under Guideline 3.1.4 on Corporate Governance for Central Public Sector Enterprises (CPSEs), the Company is required to have at least 2 (two) independent Directors and maximum 2 (two) Nominee Director (appointed by the Government) on its Board, which was not complied with.	<i>Since the Company is still in its nascent stage of overall projected operations, it is yet to make a requisition to the Department of Public Enterprises through its administrative ministry for appointment of independent Directors and Government Nominees on its Board.</i>
2.	The Company is required to have at least 1 (one) Women Director on its Board under Section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, which was not complied with.	<i>Visakhapatnam Port Logistics Park Ltd. (VPLPL) is a joint venture of Balmer Lawrie & Co. Ltd. and Visakhapatnam Port Authority (earlier was known in the name of 'Visakhapatnam Port Trust'). The composition of the Board is guided by the Articles of Association of VPA, which is based on the Agreement dated 29th March 2014 entered into between the above two joint venture partners. Pursuant to clause 3.12 1(b) of the Agreement only those persons holding specific position in the joint venture partner companies can only be nominated on the Board of VPLPL.</i>
3.	The Audit Committee was constituted but due to absence of independent Directors, it has not complied with the requirements of Section 177(2) of the Companies Act, 2013 and Guideline 4.1.1 and other consequential provisions of the Guidelines on Corporate Governance for CPSEs.	<i>Please refer the comment made in Sl. No. 1</i>
4.	The quorum of the meetings were as per Section 174 of the Companies Act, 2013, but due to absence of Independent Directors on its Board, the Company, has not complied with the requirement of Guideline 4.4 of Guidelines on Corporate Governance for CPSEs.	<i>Please refer the comment made in Sl. No. 1</i>
5.	The Company has not appointed requisite whole-time key managerial personnel(s) under Section 203 of Companies Act, 2013 read with Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014.	<i>The Company is still in its nascent stage of overall projected operations and therefore is yet to appoint whole-time key managerial personnel.</i>
6.	During the 4 th quarter of financial year 2022-23, the gap between two meetings was more than 3 months, though it complied with Section 173 of the Companies Act, 2013 but it did not comply with the requirement of Guideline 3.3.1 of Guidelines on Corporate Governance for CPSEs.	<i>The meeting was scheduled on 27th January 23, which was within the time line of 3 months gap between two successive meetings but could not be held due to urgent ministerial work of one of our Directors and hence it was postponed to 2nd February 2023.</i>

Internal Audit

The Company had appointed M/s. Rama Subba Rao & Co., a firm of Chartered Accountants having its office in Visakhapatnam, as its Internal Auditors for the financial year 2022-23.

M/s. Rama Subba Rao & Co., has carried out internal audit of the Books of Accounts, other papers/documents and internal financial control system of the Company and given its report in two phases, covering two different periods. The Audit Committee was satisfied with the actions taken / comments made in respect of the recommendations / observations of the Internal Auditors, which was noted by the Board.

Related Party Transactions

During the year under review, all the transactions which were entered into by the Company with its Related Parties are given in the annexed Form AOC-2 [refer **Annexure 5**].

All these transactions were entered in the ordinary course of business and at arm's length basis.

Annual Return

The Annual Returns of the earlier years are placed on the website of the company at www.vplpl.com

Annual Return for the financial year 2022-23, in MGT-7 format, which will be filed with ROC/ MCA after the ensuing 9th Annual General Meeting, is also placed on the website of the Company at www.vplpl.com

Maintenance & Audit of Cost Records

The Company is not engaged in providing of such services to which maintenance and audit of cost records is applicable under sub-section (1) of Section 148 of the Companies Act, 2013.

Appreciation

The Directors would like to express their sincere gratitude for the co-operation received from the Banks, Government Authorities and especially from the joint venture partners during the year under review.

The Directors also wishes to express their gratitude to all the stakeholders of the Company for reposing their faith, trust and confidence on the Company.

**For and on behalf of the Board
Visakhapatnam Port Logistics Park Ltd.**

Adhip Nath Palchaudhuri
Director
DIN: 08695322

Saurav Dutta
Director
DIN: 10042140

Place: Kolkata
Dated: 31st July 2023

Annexure 1

MANAGEMENT DISCUSSION & ANALYSIS REPORT *(Forming part of the Board's Report for the financial year 2022-23)*

Introduction

This report is intended to convey Management's perspective on financial and operating performances of the Company to enable the shareholders to visualise the Company through the eyes of Management. This report should be read in conjunction with the Annual Financial Statement and other information included elsewhere in the Annual Report.

The Annual Financial Statement have been prepared in accordance with the Indian Accounting Standards ('IND AS') and complying with the requirements of the Companies Act, 2013.

The Company is an unlisted Central Public Sector Enterprise and has to comply with the Corporate Governance Guidelines 2010 of the Department of Public Enterprises. The said guidelines mandate that this report shall form a part of the Board's Report.

It is pertinent to mention here that the country's logistics cost of 14% of the gross domestic product (GDP) is very high in comparison with 8 to 10% for the developed nations. The government is planning to reduce the logistics cost by 4%, which is expected to be 10% of the GDP in the upcoming three years. The Economic Survey of 2017-18 stated that a 10% reduction in indirect logistics cost might result in export growth of 5 to 8%. In order to reduce the logistics cost, the Government is encouraging development of multi modal logistics park/hub across the country. It seems from the approach of the Government that the consolidated approach of logistics solutions business has a great future in our country.

The Company operates a multi modal logistics hub in Visakhapatnam. This hub is a one-stop shop, catering to all kinds of logistics solutions.

In this Report, the Board has discussed about the Indian industry to which our different business segments belongs, the opportunities and threats attached to each of our business segments and the factors, which had adversely impacted the performance of our business segments and the future outlook of the Company.

CONTAINER FREIGHT STATION (CFS)

Industry Structure and Developments

Visakhapatnam is chosen as one of the strategic locations since there is a Natural Port, which acts as a gateway to the vast industrial market of the Far East countries. In Visakhapatnam, there are two Ports, namely, Visakha Container Terminal (VCT), which belongs to Visakhapatnam Port Authority and Adani Gangavaram Port Limited, which belongs to the Adani Group. These two Ports, are mainly involved in the imports of coal, crude oil, project machinery cargo, fertilizers and other petroleum oil & lubricants products and exports of mineral, metals, marine /aqua products and agricultural commodities.

VCT is located in the center of India's East Coast and closest to the Malacca Straits. It is an ideal gateway for container traffic from states of Andhra Pradesh, Telangana, Chhattisgarh, Odisha, Maharashtra, Jharkhand, Madhya Pradesh and West Bengal. It is blessed with a natural depth of 16 m. and has a state of art container handling infrastructure. At present it has a terminal capacity of 1.5 million TEUs. This terminal is well equipped with modern infrastructure including Post Panamax STS cranes, latest NAVIS SPARCS N 4 software, more than 366 reefer plug points, adequate power back-ups, 2 full length rail sidings and fully computerized environment. It has Navis N4 as the Terminal Operating System (TOS) and is integrated with SAP. It is gradually evolving as a transshipment hub in the Bay of Bengal with containers getting transshipped from Kolkata, Haldia, Paradip, Kakinada, Chittagong and Yangon. It has well established rail and road connectivity to the hinterland thereby providing smooth access for cargo movement to local hinterland and ICDs at NCR, Nagpur, Hyderabad and Raipur. This terminal has a decent growth year on year with a CAGR of 22% since inception and it has plans for further expansion, for instance, the Port will have a longer quay line (~ 850 m) for container vessels. VCT enjoys, due to its locational advantage, access to rail and roads, and the flourishing industries that surrounds it.

Adani Gangavaram Port is one of the few Greenfield Port projects in India. It has been developed as an all-weather, multipurpose Port with water depth up to 20.2 meters, making it the deepest and capable of handling fully laden cape size vessels of up to 200,000 DWT. Due to deep draft berths and efficient operations it has become the gateway Port for the hinterland spread over 8 states across Eastern, Western, Southern and Central India. It has the ability to handle larger vessels efficiently, which has resulted in substantial savings to the Traders and Port users.

Visakhapatnam, is the industrial nerve center of Andhra Pradesh, which has rail connectivity through "Chennai-Visakhapatnam-Howrah" rail corridor, road connectivity with the National Highway No.5 (Chennai - Kolkata) and Inland waterways. In Visakhapatnam at present there are 10 (ten) CFSs, including our own CFS, which is a part of our Multi Modal Logistics Hub (MMLH).

The Company had received its CFS license on 27th January 2023 and commenced its CFS operations from 2nd March 2023. The ground capacity of our CFS is 932 TEUs slots. It is completely under 24/7 CCTV surveillance with compound walls and adequate security personnel. It has an in-house customs office for quick and speedy EXIM cargo clearance. Out of 35 acres of developed areas, 24 acres of paved yard is earmarked for our CFS operation, to handle only EXIM cargo. It has a covered warehouse of 58,125 sq. ft., for exclusive use of EXIM cargo. Our CFS offers varied services, like, cargo handling & warehousing, container repairing and servicing, transportation, logistics and liaison services. It caters to a wide range of industries, like Rice, Ferro, Project Cargo, Refractory items, Aluminium, Steel, and Agricultural Products. Our facility has 21 reefer plug points for re-charging of the reefer containers.

Opportunities

- Our CFS is targeting to handle more number of Rice and Ferro alloys exports, which are the major export commodities handled in Visakhapatnam;
- There are opportunities for imports of raw Cashews, Timber, Furniture, Bamboo Sticks, Incense Powder, Refractory Materials, Machinery, Scrap etc.;
- Our CFS has the following salient features:
 - (i) Operation is looked after by experienced professionals to ensure smooth handling of the EXIM cargo;
 - (ii) It has a rail siding of 1.35 km., which is an added advantage to this segment;

- (iii) It has a well-built parking space, rest rooms for labourers etc.;
 - (iv) It has an easy road connectivity;
 - (v) It is near to the main Port, i.e., VCT, which is just 13 km., away from our CFS;
 - (vi) It has a state of art infrastructure;
 - (vii) It has all facilities under one roof;
- to attract customers looking for value added services.

Threats

- There is a competition with dynamic market trends
- Increase in Direct Port Delivery (DPD) clients in Visakhapatnam Port, i.e., where the customers prefer taking the cargo directly to their factories situated about 60-70 kms away from the Port area.
- Increase in Direct Port Export (DPE) clients in Visakhapatnam Port, where customers prefer taking the cargo directly to Port from their factories situated about 60-70 km. away.

Segment wise or product wise performance

CFS operations started from 2nd March 23 and in its first month, i.e., in March 23, had handled containers for rice exports

Outlook

Outlook is positive and optimistic.

Risks and Concerns

- Handling of seasonal cargo, like rice and raw cashews, may not promise a year-long stable revenue.
- Increase in DPD/DPE volumes, might not encourage the use of CFS.

Discussion on financial performance with respect to operational performance

CFS operations commenced only in March 23 and generated a revenue of Rs.12 lacs. It will pick-up in the coming years.

OPEN YARD

Industry Structure and developments

Open Yard is mainly used to store large break-bulk cargo, such as machinery, construction material equipment, automobiles, and other heavy-duty equipment and commodities. Out of 35 acres of developed areas, 11 acres is earmarked for non-CFS operations, which is equipped to handle non-EXIM break-bulk cargo, such as Aluminium ingots and various types of Steel finished products.

Opportunities

- (i) Our safe and secure handling operations will help us to attract Steel and Aluminium cargo customers;
- (ii) The rail siding inside our premises, reduces the handling and transportation cost of the heavy duty cargo.
- (iii) The break-bulk cargo exporters are our potential customers;
- (iv) This segment has a huge storage space to accommodate not only containerized cargo but also empty containers of various shipping lines.
- (v) This segment has container washing services.

Threats

Steel and aluminum markets are dynamic and volatile and may pose uncertainty in our business front.

Segment wise or product wise performance

During the year under review, this segment had an average utilization of 24%, which is much lower as compared to the previous financial year 2021-22. This was due to less handling and storage of Steel and Aluminium products, due to imposition of export duty on Steel products which was effective from second quarter of the financial year 2022-23 and non-availability of rakes for the customers dealing in Aluminium products.

Outlook

With the withdrawal of export duty on Steel and availability of more rakes to our Aluminium customer, as compared to the last year, the future outlook of this business segment seems to be positive and optimistic.

Risks and Concerns

- Cargo, which are vulnerable to moisture, heavy wind and rainfall cannot be handled in Open Yard.
- Stringent restrictions have been imposed by the Government authorities in respect of storing and handling of bulk and dusty cargo, which comprises 70% of the total imports in Visakhapatnam.

Discussion on Financial Performance with respect of operational performance

During the year under review, this business segment generated a revenue of Rs.436 lacs, which is 35% of the total revenue with 24% of the average area utilization.

CLOSED WAREHOUSE

Industry Structure and developments

Warehousing is a key component of the commodity supply chain and a system to provide efficient storage and distribution of goods. During the past 3-4 years, there is a change in consumer behavior with an increased dependency on e-commerce on digital platform.

Now the focus is on Artificial Intelligence (AI) and Internet of Things (IOT), to understand consumer behavior and operational excellence.

The growth in Indian warehouse industry is due to various factors, like, the Government's initiative of 'Make-in-India', implementation of GST, growth of e-commerce, thrust on economy on moving to cashless state, increase in domestic consumption and international trade and increase in private and foreign investments in logistics Infrastructure. The Government of India is planning to introduce a warehousing policy to help ease transportation and logistics costs. It aims to lay the roadmap for developing exclusive warehousing zones through public-private partnerships. The demand for industrial warehousing facilities is expected to remain unscathed in the long run. The third party logistics which is commonly known as 3PL sector is likely to retain a large market share, with e-commerce and other sectors continuing to outsource their warehousing and logistics requirements to 3PL players. The warehousing industry now holds an immense potential by adopting the Internet of Things (IOT), Robotics, and Artificial Intelligence (AI).

Opportunities

- Project cargo, bagged minerals/palletized cargo/e-commerce (textile and auto ancillary) will continue to drive the demand for warehousing in the coming years.
- A number of new growth drivers such as organized retail, information technology, telecommunications and healthcare are also expected to create a strong demand in the coming years.
- The analyst expects a significant proportion of investments in warehousing to be made towards free trade warehousing zones (FTWZs) and logistic parks in future

Threats

- Fluctuations in demand of the goods;

Segment wise or product wise performance

Our warehousing and distribution facilities is fully operational covering an area of 1,15,007 sq. ft. Out of which, 58,125 sq. ft is demarcated as a CFS area and the balance 56,882 sq. ft. as a non-CFS or domestic cargo area. This segment had an average utilization of 92% during the financial year 2022-23.

Outlook

Outlook for this business segment is positive.

Risks and Concerns

- Identifying the risk and taking measures to prevent them, is essential to ensure the safety of workers and optimal maintenance of stocks.
- Staff training, routine inspections, health and safety measures, responsible behavior and proper maintenance of the installations, are the key elements to ensure safety of the warehouse.

Discussion on Financial Performance with respect to operational performance

During the financial year 2022-23, the mechanised warehouse facility witnessed an average capacity utilization of 92%. With an anticipation of receiving CFS license by December 2022, the EXIM portion of the warehouse was vacated by November 2022, which had resulted in reduction of capacity utilization, which was otherwise utilized at 100% capacity till November 2022. During the year under review, this segment has retained its revenue in line with the previous year, 2021-22, thereby generating a revenue of Rs.328 lacs, which is 26% of the total revenue generated during the financial year 2022-23.

TEMPERATURE CONTROLLED WAREHOUSE (TCW)

Industry Structure and developments

In 2020, the Indian cold chain industry has reached a value of nearly INR 1,285 billion. This industry is further expected to grow at a CAGR of 14.3% over the forecast period of 2023-27 to attain a value of INR 2,865 billion by 2027. The Global Cold Storage Market size is estimated to grow by USD 118.3 billion between 2022 and 2027 accelerating at a CAGR of 13.47%.

Cold chain operators have to adhere to various guidelines in order to secure storage of perishable products, such as flowers, meat, dairy products, and medical products, including blood, drugs, and organs. These guidelines include the Hazard Analysis and Critical Control Point (HACCP), the Hygiene Package, and the Food Safety Modernization Act (FSMA). The mandatory compliances of various regulations has become the primary factor for the growth of the cold chain industry. Now there is a trend of usage of fuel cell-based forklifts for increased productivity and saving of space, which has a positive impact on the growth of the global storage market.

Opportunities

- Increase in demand of the processed food products;
- Growth of retail and e-commerce industry;
- Our country is the largest producer of milk and the second-largest producer of fruits and vegetables. Further our country has a substantial production of marine, meat, and poultry products. Since most of these products are perishable and temperature-sensitive, they require a specific temperature for storage and transportation. This has led to the establishment of large cold chain facilities in our country.
- With the rise in consumer disposable income and growing middle-class population, there is a demand for optimum quality products;
- Rapid urbanisation and growing industrialisation are further supporting the growth of this Industry in India.
- Favourable Government policies and also the Government's intent of setting up several mega food parks is providing a further boost to this Industry.
- The growing demand from the health care sector to preserve heat sensitive products like vaccines, biopharmaceuticals, and clinical trial materials is propelling the industry growth.
- Farmers are shifting towards cultivation of fruits and vegetables over grain crops, which requires temperature controlled storage solutions.

Threats

- Higher Operational cost;
- Less than 5% of the total produce in India is kept in cold storage, which is insignificant as compared to global standards;
- Too much fluctuations in demand of cold storage due to fluctuations in seasonal demand of fruit and vegetable;
- Small suppliers are averse to cold storage facilities due to cost factor

Segment wise or product wise performance

During the year under review, TCW was utilized to the extent of 100% of its installed capacity for storing marine products, vegetables, fruits and food items.

Outlook

Out-look is positive for this segment.

Risks and Concerns

- Power cooling systems may malfunction due to power outages or fluctuations in electricity, which can result in significant waste of perishable commodities.
- Lack of technological development thereby causing faulty and inefficient cold chain.

Discussion on Financial Performance with respect of operational performance

TCW had an average utilization of 100% utilization, thereby generating a revenue of Rs.419 lacs, which is 33% of total revenue generated during the financial year 2022-23.

RAILWAY SIDING

Industry Structure and developments

Railway siding is a low-speed section of rail-road track typically made with lighter rails and designed to handle less traffic and lower speed railcar. Having a warehouse with railway siding provides numerous benefits and allows to develop a more flexible transportation process for the supply chain.

The benefits of railway siding warehouse are as follows:

- One railcar transports goods equivalent to at least three-to-four truckloads. Hence it reduces the cost of transporting goods.
- Railway siding enables warehouses to easily access trains, thus eliminating the need to move shipments to and from the warehouse via truck.
- Railroads are far less impacted by weather.
- Goods moved via rail create less environmental impact than those transported via truck.

In India the modern warehouses are more or less equipped with Rail siding.

Opportunities

- Customers of Aluminium, Steel products and Agricultural commodities prefer to have their goods handled in a warehouse having rail siding.
- Now since the company has started its CFS operation, it can target rail movements of EXIM cargo.

Threats

- There can be a situation when adequate rakes will not be available, as was experienced during the coal crisis in 2022-23, when majority of rakes were involved in movement of coal;
- There can be mechanical failure of the tracks, which will hinder the movement of goods meant for transportation by rail.
- This mode of movement is not conducive for all kinds of goods.

Segment wise or product wise performance

MMLH has a rail track of about 1.35 km and can accommodate 2 rakes at a time. During the year under review, this segment had handled 60 rakes. The cargo handled through rail siding generally comes from Odisha, Raipur, Kolkata and other regions. This facility is used for transportation of Aluminium, Steel Products, and agricultural commodities.

During the year under review this segment was adversely impacted due to the following reasons:

- Less volume of Steel were exported due to imposition of export duty on Steel;
- There was a complete ban on wheat export as a fall out of Ukraine war;
- Majority of the rakes were used for movement of coal, thereby creating a rake crisis for movement of aluminium products.

Outlook

Outlook is positive and optimistic.

Risks and Concerns

- Due to dynamic nature of commodities handled via rakes, this segment poses certain risk.
- War like situation, economic recessions etc. can be an impediment in attracting such business.
- Change in Government rules and policies also poses certain risk, like, the situation this segment had experienced in 2022-23, due to total ban of wheat export, imposition of export duty on steel and usage of majority of the rakes for coal movements.
- Costing varies from commodity to commodity.

Discussion on Financial Performance with respect of operational performance

During the year under review, this unit had handled 60 nos. of rakes, thereby generating a revenue of Rs.40 lacs.

Internal control systems and their adequacy

- Regular checks are done to ensure proper management of the stocks.
- There are periodic inspection by the Surveyors, to ensure correctness of the stock records and physical stock available in the yard.
- The unit has in place an effective internal control mechanism;
- During the year under review, our Internal Auditors had carried out audit of the internal control system and found that the system is adequate and satisfactory.

Material developments in Human Resources / Industry Relations front including number of people employed

Our Company continues to enjoy cordial relationship with its employees. As on 31st March, 2023 it had in total 6 (six) employees in its rolls.

Annexure 2

REPORT ON CORPORATE GOVERNANCE

[Forming part of the Board's Report for the year 2022-23]

Philosophy

Corporate Governance is about maximizing Shareholders' value legally, ethically and on a sustainable basis. *Your Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders and paving the way for its long term success.* We believe in satisfying the spirit of the law and not just the letter of the law and if required go beyond the law in upholding corporate governance standards. The Company being an unlisted CPSE, does not require to adhere with the provisions of the listing agreement but has to follow the guidelines on Corporate Governance issued by the Department of Public Enterprises, Government of India. The said guidelines mandate that this report shall form part of the Board's report.

Board of Directors ("the Board")

Composition

Your Company is joint venture of Balmer Lawrie & Co. Ltd. and Visakhapatnam Port Authority (*earlier it was known in the name of Visakhapatnam Port Trust*). The composition of the Board is as per the Shareholder's Agreement between the two joint venture partners read with the concerned Articles of the Articles of Association of the Company. As on 31st March, 2023, the Board consists of 5 (five) Non-executive Directors, out of which 3 (three) Directors are nominated by Balmer Lawrie & Co. Ltd. and 2 (two) Directors are nominated by Visakhapatnam Port Authority.

The profile of the Directors (who were Directors as on 31st March 2023), are given hereunder:

Sri Adhip Nath Palchaudhuri (DIN 08695322)

Non-Executive Director

Sri Adhip Nath Palchaudhuri was appointed by the Board as an Additional Director of the Company on 1st March 2020 and then as a Non-executive Director by the Shareholders at the 6th Annual General Meeting held on 16th December 2020. Shri Palchaudhuri holds a B.E (E&C) degree from University of Roorkee (now IIT Roorkee) and a PGDM from IIM Lucknow. He has professional work experience of nearly 29 years. Shri Palchaudhuri had worked with a wide variety of organizations in the IT Services/Consulting field in India and abroad. Sri Palchaudhuri, also holds the position of Director (Service Businesses) in Balmer Lawrie & Co. Ltd.

Sri Saurav Dutta (DIN 10042140)

Non-Executive Director

Sri Saurav Dutta was appointed by the Board as an Additional Non-executive Nominee Director of the Company with effect from 6th March 2023. Sri Dutta is a Bachelor of Science and a Member of the Institute of Chartered Accountants of India and has more than 28 years of experience at different levels and specifically in corporate finance function. Sri Dutta is the Director (Finance) & Chief Financial Officer in Balmer Lawrie & Co. Ltd. He is also a Non-Executive Director in Balmer Lawrie Investments Ltd. (*holding Company of Balmer Lawrie & Co. Ltd.*) and a Commissioner in PT Balmer Lawrie Indonesia (*joint venture Company of Balmer Lawrie & Co. Ltd.*)

Sri Romon Sebastian Louis (DIN 08710802)

Non-Executive Director

Sri Romon Sebastian Louis was appointed by the Board as an Additional Director of the Company with effect from 1st March 2020 and then as a Non-executive Director by the Shareholders at the 6th Annual General Meeting held on 16th December 2020. Sri Louis is a commerce graduate and had done PGDMM and PGDMSM in materials management and has a wide experience in various logistics solutions, specifically in logistics infrastructure business. Sri Louis is the Chief Operating Officer (Logistics Infrastructure) in Balmer Lawrie & Co. Ltd. He does not hold directorship in any other company.

Sri Durgesh Kumar Dubey (DIN 09207436)

Non-Executive Director

Sri Durgesh Kumar Dubey was appointed by the Board as an Additional Director of the Company with effect from 9th July 2021 and then as a Non-executive Director by the Shareholders at the 7th Annual General Meeting held on 10th September 2021. Sri Dubey is a Master of Arts in Public Administration and has a wide experience in administration, operations, business development and managing finances of the Port Authority. Sri Dubey is the Deputy Chairman of Visakhapatnam Port Authority. He does not hold Directorship in any other company.

Sri Venu Prasad Ambata (DIN 09207446),

Non-Executive Director

Sri Venu Prasad Ambata was appointed by the Board as an Additional Director of the Company with effect from 9th July 2021 and then as a Non-executive Director by the Shareholders at the 7th Annual General Meeting held on 10th September 2021. Sri Ambata is a B. Tech. (Civil) and M. Tech. in Ocean Engineering and has a wide experience in planning and development of port civil infrastructure, estate management and environment management. Sri Ambata the Chief Engineer of Visakhapatnam Port Authority retired from the services at the close of business hours on 30th June 2023 and accordingly ceased to be on the Board of Directors of the Company with effect from 1st July 2023. He does not hold Directorship in any other company.

The composition of Board of Directors as on 31st March, 2023 and the number of other Boards or Committees in which the Director is a member/Chairperson are enumerated as follows:

Name, designation and category of the Director	Total number of Directorship in other companies	Names of the other entities in which the director is a director and the category of directorship	Number of memberships in Committee(s) of other Companies	Number of post of Chairperson in Committee of other Companies
Sri Adhip Nath Palchauthuri Non-Executive Director	1	Balmer Lawrie & Co. Ltd. Whole-time / Executive Director	2	Nil
Sri Saurav Dutta Non-Executive Director	3	Balmer Lawrie & Co. Ltd. Whole-time / Executive Director Balmer Lawrie Investments Ltd. Non-executive Director PT Balmer Lawrie Indonesia Non-executive Commissioner	7	2
Sri Romon Sebastian Louis Non-Executive Director	Nil	NA	Nil	Nil
Sri Durgesh Kumar Dubey Non-Executive Director	Nil	NA	Nil	Nil
Sri Venu Prasad Ambata Non-Executive Director	Nil	NA	Nil	Nil

Brief profile and other details of the Directors of the Company retiring by rotation and Directors seeking appointment at the AGM

The brief profile and other details of the following Directors of the Company is attached to the Notice of the 9th AGM:

- (i) Sri Durgesh Kumar Dubey - who will be retiring by rotation at the 9th AGM and who had sought re-appointment at the 9th AGM;
- (ii) Sri Saurav Dutta - whose office as an Additional Non-executive Nominee Director will conclude on the date of the 9th AGM and whose appointment is nominated by a Shareholder and who is willing to act as such, if appointed. Furthermore, the Board of Directors has recommended the appointment of Sri Dutta.
- (iii) Sri Nara Harikrishna Raghupathruni - whose office as an Additional Non-executive Nominee Director will conclude on the date of the 9th AGM and whose appointment is nominated by a Shareholder and who is willing to act as such, if appointed. Furthermore, the Board of Directors has recommended the appointment of Sri Harikrishna.

Attendance at the Board Meetings during the Financial Year 2022-23 and at the last (8th) Annual General Meeting (AGM)

The Board of Directors met 5 (five) times during the financial year 2022-23. Attendance of the Directors at the Board meetings and at the last (8th) AGM held during the financial year 2022-23, are given below:

Board Meetings						
Date	Adhip Nath Palchaudhuri	*Sandip Das	Romon Sebastian Louis	Durgesh Kumar Dubey	Venu Prasad Ambata	**Saurav Dutta
13.05.2022	Present	Present	Present	Present	Present	NA
27.07.2022	Present	Present	Present	Present	Present	NA
31.10.2022	Present	Absent	Present	Present	Present	NA
02.02.2023	Present	NA	Present	Present	Present	NA
29.03.2023	Present	NA	Present	Present	Present	Present
Annual General Meeting						
07.09.2022	Present	Absent	Present	Present	Absent	**NA

**Sri Sandip Das ceased from the Board with effect from 1st January 2023*

*** Sri Saurav Dutta was appointed on the Board with effect from 6th March 2023*

Disclosure of relationship between Directors inter-se:

None of the Directors have any relationship *inter-se* amongst themselves.

Number of shares and convertible instruments held by the Directors

As on 31st March 2023, the shares held by the Directors are as follows:

Name of the Director	Number of shares held	Percentage of shares
Adhip Nath Palchaudhuri	0	0
Sandip Das	1*	0
Romon Sebastian Louis	0	0
Durgesh Kumar Dubey	0	0
Venu Prasad Ambata	0	0

**jointly held with Balmer Lawrie & Co. Ltd. This 1 (one) share has been transferred to Sri Saurav Dutta as a nominee of Balmer Lawrie & Co. Ltd. on 26th April 2023.*

The Company since inception and till the date of reporting has not issued any convertible instrument(s).

COMMITTEES OF THE BOARD

Audit Committee

The Audit Committee was formed on 3rd February 2021. The terms of reference of the Committee are as follows:

- i. To recommend the amount of fees payable and other terms of appointment, of the Auditors of the Company;
- ii. To review and monitor the Auditor's independence and performance and effectiveness of the Audit Process;
- iii. To examine the Financial Statement/Results (whether quarterly or annual) and the Auditors' Report (including limited review report) thereon;
- iv. To grant omnibus approval of the related party transactions for the financial year or else approve transactions with the related parties on a periodical basis;
- v. To evaluate the Internal Financial Controls and Risk Management systems;
- vi. To scrutinize the inter-Corporate loans and investments, if any;
- vii. To appoint a Valuer, if required, for valuing the Undertaking or Assets of the Company;
- viii. To call for the comments of the Auditors about internal control systems, the scope of audit, including the observations of the Auditors and review of the Financial Statement/Results before submission to the Board;
- ix. To discuss any related issues with the Internal and Statutory Auditors and the Management of the Company;
- x. To investigate into any matter in relation to those items which are referred to by the Board;
- xi. To obtain professional advice from external sources, wherever necessary;
- xii. To have full access to information contained in the records of the Company;

Composition

The Audit Committee was formed with three Non-executive Directors. As on 31st March 2023, the Audit Committee comprises the following Directors as its Members:

- (a) Sri Saurav Dutta, Chairman;
- (b) Sri Adhip Nath Palchaudhuri; and
- (c) Sri Venu Prasad Ambata

All the members of the Audit Committee are financially literate. The Chairman of the Audit Committee is a Chartered Accountant and have more than 28 years of experience in the field of Accounts, Finance, Tax and General Management. The person who is entrusted with Secretarial functions of the Company acts as the Secretary to this Committee.

During the year under review, there is a change in the composition of the Audit Committee. Sri Sandip Das, upon retirement from the services of the representative company, Balmer Lawrie & Co. Ltd., ceased from the Board and consequently from the Audit Committee of the Company with effect from 1st of January 2023. Sri Saurav Dutta was appointed as the Chairman & Member of the Audit Committee with effect from 29th March 2023.

Meetings and Attendance

The Audit Committee met 5 (five) times during the financial year 2022-23.

The details regarding the attendance of the Members at the meetings are enumerated as follows:

Date	Names of the Members			
	Adhip Nath Palchaudhuri	*Sandip Das	Venu Prasad Ambata	**Saurav Dutta
13.05.2022	Present	Present	Present	NA
27.07.2022	Present	Present	Present	NA
31.10.2022	Present	Absent	Present	NA
02.02.2023	Present	NA	Present	NA
29.03.2023	Present	NA	Present	Present

** Sri Sandip Das ceased to be the Chairman and Member of the Audit Committee with effect from 1st January 2023*

*** Sri Saurav Dutta was appointed as the Chairman and Member of the Audit Committee with effect from 29th March 2023*

Nomination & Remuneration Committee

The Company is joint venture of Balmer Lawrie & Co. Ltd. ('BL') and Visakhapatnam Port Authority (earlier it was known in the name of Visakhapatnam Port Trust). All the 5(five) Directors are in the Non-executive position nominated by the respective joint venture partners. None of them receive any sort of remuneration, including the sitting fee from the Company. The performance of the Directors are evaluated by their respective joint venture partners / or their respective administrative ministry/department. Therefore under the current scenario there is no requirement of a "Nomination & Remuneration Committee".

General Body Meetings

Details of the last three Annual General Meeting(s) (AGM) held by the Company are enumerated as under:

Annual General Meeting	Date and Time	Venue	Number of Special Resolution passed
6 th	16 th December 2020 at 3.00 p.m.	Through Video Conference Deemed venue Board room of its registered office at 21, Netaji Subhas Road, Kolkata - 700001	No special resolution was passed
7 th	10 th September 2021 at 3.00 p.m.	Through Video Conference Deemed venue Board room of its registered office at 21, Netaji Subhas Road, Kolkata - 700001	No special resolution was passed
8 th	7 th September 2022 at 12.00 p.m.	Through Video Conference Deemed venue Board room of its registered office at 21, Netaji Subhas Road, Kolkata - 700001	No special resolution was passed

Special Resolutions passed in last year through Postal Ballot

No special resolution was passed through postal ballot during the financial year 2022-23.

Special Resolution proposed to be conducted through Postal Ballot.

NIL

Website

The Company has an official website at www.vplpl.com. The financial results of the Company, whether quarterly or annual are posted on the website of the Company. Furthermore, various policies of the company are also posted on the website of the Company. It is an important source of getting information about the Company.

Address for Correspondence

All communications should be addressed to:

Visakhapatnam Port Logistics Park Ltd.

21, Netaji Subhas Road,

Kolkata-700001

Phone: (033) 2222 5427

E-mail: louis.rs@balamerlawrie.com

Distribution of Shareholdings as on 31st March, 2023

Name of the Shareholders	No. of shares held	% of holding
Balmer Lawrie & Co. Ltd.	8,10,38,977	60
Visakhapatnam Port Authority	5,40,25,985	40
*Sandip Das jointly with Balmer Lawrie & Co. Ltd.	1	0

**This 1 (one) share has been transferred to Sri Saurav Dutta as a nominee of Balmer Lawrie & Co. Ltd. on 26th April 2023.*

Disclosures

- (a) Disclosures on materially significant Related Party Transactions (RPTs) that may have potential conflict with the interest of the Company at large:
There was no material significant Related Party Transaction. None of the RPTs had any conflict with interests of the Company. All the RPTs have been detailed in the Note no. 25.6 of the Annual Financial Statement for the year ended 31st March 2023.
- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by any statutory authority, on any matter related to any guidelines issued by Government, during the last three years:
No penalty or stricture was imposed on the Company by any statutory authority on any matter relating to guidelines issued by the Government during the last 3(three) years.
- (c) Whistle Blower policy and affirmation that no personnel has been denied access to the Audit Committee.
Pursuant to the Corporate Governance Guidelines 2010, the Company established a whistle blower policy for its employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the general guidelines on conduct or ethics policy. This policy was introduced from May 2022. The Chairperson of the Audit Committee is the Ombudsperson under the Policy. The Policy has been posted on the Company's website. Since inception of this Policy and as on the date of reporting there was no such situation where a personnel has been denied access to the Audit Committee.
- (d) Details of compliance with the requirements of these Guidelines
The Company has complied with the guidelines on Corporate Governance for CPSEs, to the extent possible.
- (e) Details of Presidential Directives issued by the Central Government and their compliance during the year and also in the last three years
Nil
- (f) Items of expenditure debited in the books of accounts, which are not for the purposes of the business
All expenditures incurred during the year under review were for the purpose of business.
- (g) Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management
No expenses of personal nature are incurred for the Directors. The Company does not have any employee in the senior management category.
- (h) Details of Administrative and office expenses as a percentage of total expenses vis-a-vis financial expenses and reasons for increase
During the financial year 2022-23, the total Administrative and Other expenses comes to the tune 16% of the total expenses as against 17% compared to the previous financial year 2021-22.

Audit qualification

There was no adverse comment/qualification of the Statutory Auditors.

Training of the Board Members

The Company has already introduced a policy on training of the new Board members.

Whistle Blower Policy

This Policy was introduced from May 2022. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about any serious irregularities within the Company. The Policy is made for all categories of employees of the Company. The Policy covers all sorts of malpractices and events which have taken place or suspected to take place within the Company. It has been clearly mentioned in the Policy that no unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy and the identity of the Whistle Blower shall always be kept confidential even after the matter is closed.

Annexure -3

CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members,
Visakhapatnam Port Logistics Park Limited,
Kolkata**

We have examined the compliance of conditions of corporate governance by *Visakhapatnam Port Logistics Park Limited*, ('the Company'), for the year ended 31st March, 2023, as stipulated under Corporate Governance Guidelines issued by the Department of Public Enterprise vide their OM. No. 18(8)/2005-GM dated 14th May, 2010.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination is limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Regulations, except that:

1. The Company did not have minimum required Independent Directors on its Board during the year.
2. The Company has more than 3 months gap in the two meetings held between the period from 04.02.2022 to 13.05.2022 and 31.10.2022 to 02.02.2023.
3. The Audit Committee of the Company has been constituted but there is no Independent Director in the Committee.
4. During the period between 01.01.2023 to 29.03.2023 the number of members in the Audit Committee falls below the minimum requirement of three members.
5. The Company has not appointed Company Secretary but a designated professional is assigned to act as a Secretary to the board and the committee.
6. The Company did not have Nomination and Remuneration Committee as there is no Key Managerial Personnel in the company where remuneration was required to be payable.
7. The Company has not constituted vigil mechanism and hence review of vigil mechanism for directors and employees concern was not complied.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For and on behalf of
N. K & Associates
Company Secretaries
Navin Kothari
Proprietor**

FCS No 5935 CP No 3725

UDIN: F005935E000544651

Peer Review No.: 1384/2021

Date: 04.07.2023

Place: Kolkata

Annexure 4

Form No. MR - 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Visakhapatnam Port Logistics Park Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Visakhapatnam Port Logistics Park Limited (hereinafter called 'the Company') having CIN: U63090WB2014GOI2020678. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of Visakhapatnam Port Logistics Park Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and *subject to the reporting made hereinafter*.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) Other laws, identified and confirmed by the management as specifically applicable to the Company:
 - Guidelines on Corporate Governance for Central Public Sector Enterprises [CPSEs] issued by the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India vide their OM No. 18(8)/2005-GM dated 14th May, 2010.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013 with regard to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

The management has made written representation and we have also checked that the Company being an Unlisted Public Limited Company (a private limited company but a subsidiary of public limited company) the following Acts, Regulations, Guidelines, Agreements etc. as specified in the prescribed MR-3 Form were not applicable:

- (i) Foreign Exchange Management Act, 1999 [FEMA] and the Rules and Regulations made there under to the extent applicable for Foreign Direct Investment [FDI], Overseas Direct Investment and External Commercial Borrowings [ECBs].
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and/or The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and/or Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and/or Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- (v) Listing Agreements with Stock Exchanges read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, *subject to the following observations:*

- (i) *The Company being a joint venture is not required to have independent Director(s) under Section 149(4) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. However, under Guideline 3.1.4 on Corporate Governance for Central Public Sector Enterprises (CPSEs), the Company is required to have at least 2 (two) independent Directors and maximum 2 (two) Nominee Director (appointed by the Government) on its Board, which was not complied with.*
- (ii) *The Company is required to have at least 1 (one) Women Director on its Board under Section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, which was not complied with.*
- (iii) *The Audit Committee was constituted but due to absence of independent Directors, it has not complied with the requirements of Section 177(2) of the Companies Act, 2013 and Guideline 4.1.1 and other consequential provisions of the Guidelines on Corporate Governance for CPSEs.*
- (iv) *The quorum of the meetings were as per Section 174 of the Companies Act, 2013, but due to absence of Independent Directors on its Board, the Company, has not complied with the requirement of Guideline 4.4 of Guidelines on Corporate Governance for CPSEs.*

- (v) *The Company has not appointed requisite whole-time key managerial personnel(s) under Section 203 of Companies Act, 2013 read with Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014.*
- (vi) *During the 4th quarter of financial year 2022-23, the gap between two meetings was more than 3 months, though it complied with Section 173 of the Companies Act, 2013 but it did not comply with the requirement of Guideline 3.3.1 of Guidelines on Corporate Governance for CPSEs.*

We further report that:

- (a) The Board of Directors was not comprised of any Executive Director, Nominee Director, Independent Director or Woman Director. Subject *to above*, the Board of Directors of the Company is duly constituted with only Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- (c) Majority decisions were carried through and are captured and recorded as part of the Minutes. There has not been any dissent among the directors on any matter dealt with by the Board during the financial year.

We further report that based on review of compliance mechanism established by the Company, *and subject to our observations above*, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place: Kolkata
Dated: 20.07.2023

For D. DUTT & CO.
Company Secretaries
UNIQUE CODE NUMBER: I2001WB209400
DEBABRATA DUTT
Proprietor
FCS-5401
C.P. No.-3824
Peer Review Certificate No. – 2277/2022
UDIN No.: F005401E000652729

*This report is to be read with our letter of even date which is annexed as **Annexure – A** and forms an integral part of this report.*

Annexure – A

To
The Members,
Visakhapatnam Port Logistics Park Limited

Our Secretarial Audit Report for the financial year ended 31st March, 2023 of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of the management of the Company to maintain proper secretarial records, devise proper systems to endure compliance with the provisions of all Corporate and other applicable laws, rules, regulations, standards and also to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances based on our audit.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.
4. We believe that the audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide us a basis of our opinion.

Disclaimer:

5. We have not verified the correctness and appropriateness of financial records, books of accounts, compliances of applicable direct and indirect tax laws of the company.
6. Wherever required, we have obtained the management representation about the compliance of laws, rules, regulations, guidelines, standards and happening of events etc.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
8. This Report has been prepared upon receipt / exchange of requisite information / documents through physical verification and electronic mail and other online verification / examination process of secretarial records as facilitated by the Company.

Place: Kolkata
Dated: 20.07.2023

For D. DUTT & CO.
Company Secretaries
UNIQUE CODE NUMBER: I2001WB209400
(DEBABRATA DUTT
Proprietor
FCS-5401
C.P. No.-3824
Peer Review Certificate No. – 2277/2022

Annexure – 5

FORM NO. 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 the Companies Act, 2013 including certain arm's length transaction under third proviso thereto for the financial year ended 31st March 2023

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

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

Name(s) 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 the Board	Amount paid as advances to the related party(ies)
Balmer Lawrie & Co. Ltd.	Holding Company	Cargo Handling, Storage and Railway siding usage charges	2 (two) years, covering the period from 01.09.2021 to 31.08.2023.	<p>Providing of services, like handling of rakes, movement of the cargo, unloading of the cargo and storage of the cargo, comprising Aluminum and other allied products of NALCO.</p> <p>During the financial year ended 31st March 2023, BL paid Rs. 78.89 lacs for the above services.</p>	<p>Since the transaction took place during the course of business and at arm's length basis, no specific approval is required from the Board under Section 188 of the Companies Act, 2013.</p> <p>Prior to the start of the financial year 22-23, omnibus/blanket approval was taken, from the Audit Committee on 4th February 22.</p> <p>Furthermore, on a quarterly basis, the transactions were ratified by the Audit Committee and noted by the Board.</p>	Nil

Name(s) 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 the Board	Amount paid as advances to the related party(ies)
Balmer Lawrie & Co. Ltd.	Holding Company	Rent for Office Space	Temporary	<p>Temporary arrangement of providing an un-utilized office space to BL for using it as its Travel Office. Rent: Rs. 15,000/- p.m. Internet connection: Rs. 2,500/- p.m. Electricity at actuals.</p> <p>This Arrangement was valid till 31st August 2022.</p> <p>The amount of rent paid by BL from 1st April 22 to 31st August 22 was Rs. 0.94 lacs.</p>	<p>Since the transaction took place during the course of business and at arm's length basis, no specific approval is required from the Board under Section 188 of the Companies Act, 2013.</p> <p>Prior to the start of the financial year 22-23, omnibus/blanket approval was taken, from the Audit Committee on 4th February 22.</p> <p>Furthermore, on a quarterly basis, the transactions were ratified by the Audit Committee and noted by the Board.</p>	Nil
Balmer Lawrie & Co. Ltd.	Holding Company	Interest on unsecured loan	Temporary	<p>Unsecured loan was granted to meet the urgency of fund in November 2018 & March'23.</p> <p>Interest paid on such loan during the financial year ended 31st March 2023 was Rs. 24.18 lacs.</p>	<p>Prior approval was taken from the Board.</p> <p>Prior to the start of the financial year 22-23, omnibus/blanket approval was taken on the interest amount from the Audit Committee on 4th February 22.</p> <p>Furthermore, on a quarter basis, the transactions were ratified by the Audit Committee and noted by the Board.</p>	Nil

Name(s) 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 the Board	Amount paid as advances to the related party(ies)
Balmer Lawrie & Co. Ltd.	Holding Company	Purchase of Air-ticket	No specific contract. It was on need basis	<p>Air tickets were purchased from BL Travel division, as and when the requirement arose.</p> <p>Payments were made on submission of bills from BL.</p> <p>During the financial year 2022-23, the Company purchased Air tickets of Rs. 1.31 lacs from BL.</p>	<p>Since the transaction took place during the course of business and at arm's length basis no specific approval is required from the Board under Section 188 of the Companies Act, 2013.</p> <p>The transactions were ratified by the Audit Committee and noted by the Board.</p>	Nil
Balmer Lawrie & Co. Ltd.	Holding Company	Borrowings	3 years	<p>Amount of the borrowing was Rs. 100 lacs;</p> <p>It is an unsecured borrowing; Interest @ 9.05% per annum: Principal along with interest to be repaid within 3 years: Option for conversion into Equity;</p> <p>It is to be used to meet the shortfall of the March' 23 quarter installment payment to the State Bank of India.</p>	The Board approved the borrowing from BL on 29 th March 23.	Nil

Name(s) 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 the Board	Amount paid as advances to the related party(ies)
Visakhapatnam Port Authority (VPA)	Joint venture Partner	Lease rent	30 years	<p>It was a 30 years long term lease of the project land entered by the Company with VPA.</p> <p>This was effective from 13th January 2015.</p> <p>In lieu of the amount of upfront premium for such 30 years lease, VPA was given 40% equity stake in the Company.</p> <p>Only annually the Company has to pay rent @ Re.1/- per sq.mtr.</p> <p>The amount of lease rent paid for the financial year 2022-23 was Rs. 2.15 lacs</p>	<p>It was as per the joint venture agreement.</p> <p>In respect of lease rental prior to the commencement of the financial year 2022-23, blanket / omnibus approval was taken from the Audit Committee on 4th February 2022.</p> <p>Furthermore, on a quarter basis, the transactions were ratified by the Audit Committee and noted by the Board.</p>	Nil
Visakhapatnam Port Authority (VPA)	Joint venture Partner	Deposit for water consumption and water connection charges.	Yearly – One Time	<p>Supply of water was a part of the obligation of the lessor of the premises, i.e., VPA.</p> <p>The amount paid during the financial year 2022-23, was Rs.1.64 lacs for water consumption deposit and Rs.0.61 lacs towards one time water connection charges.</p>	<p>It was as per the joint venture agreement.</p> <p>The transactions were ratified by the Audit Committee and noted by the Board.</p>	Nil

All contracts or arrangements entered into with the related parties is in compliance with Section 188 of the Companies Act, 2013. Details of such transactions were also mentioned in Note no. 25.6, forming part of the Annual Financial Statement for the financial year ended 31st March 2023.

There were no material significant related party transactions that may have potential conflict with the interest of the Company, at large.

Justification for entering into related party transaction

The Company does not have sufficient manpower or the network to manage its operations and therefore had to depend on its joint venture partners for necessary support on a day to day basis. The land on which the project was made was taken on lease for 30 years from one of its joint venture partners and hence lease rent for the land has to be paid on a yearly basis. All such transactions were entered in the normal course of business and dealt at arm's length basis.

INDEPENDENT AUDITORS' REPORT

To the Members of Visakhapatnam Port Logistics Park Limited

Report on the Audit of the Financial Statements.

Opinion

We have audited the accompanying standalone financial statements of **Visakhapatnam Port Logistics Park Limited** ("the Company"), which comprises of the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India including the accounting standard specified 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.

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2023.
- (b) in the case of the Statement of Profit & Loss, of the loss of the Company for the year ended on that date.
- (c) in the case of the Cash Flow Statement of the cash flows for the year ended on that date.
- (d) in the case of Statement of Changes in Equity, of the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of the Matter

It has been observed that though the letters seeking balance confirmation from Debtors and Creditors have been sent by the company, responses have been received from only a few parties. The company should take steps to ensure that balance confirmations are received on time.

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

The Company's Board of Directors is responsible for the other information. The other information comprises of the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditors' report thereon. The Board's Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Based on the work we have performed, if it is concluded that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required under section 143(5) of the Act, we give in "Annexure C", a statement on the Directions issued by the Comptroller & Auditor General of India, action taken thereon and its impact on the financial statements of the Company.
3. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
- e) Pursuant to notification no. G.S.R. 463(E) dated 5th June,2015 issued by the Ministry of Corporate Affairs, Section 164(2) of the Act pertaining to the disqualification of the Directors is not applicable to the Company.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.
- g) The reporting requirements in terms of section 197(16) of the Act, as amended, is not applicable to the Company.
- 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 could have impact on 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) During the year the Company has not declared or paid dividends under section 123 of the Companies Act, 2013.

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

For ADR & ASSOCIATES
Chartered Accountants
Firm Registration No. 325092E

D S Tiwari
Partner
Membership No. 058824

UDIN: 23058824BGVJIT1179

Place: Kolkata
Date: 15.05.2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in Independent Auditors' Report on even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has physically verified its Property, Plant and Equipment and Right-of-use assets during the year. No material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) which are held in the name of the Company.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2.
 - a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
 - b) The Company has not been sanctioned any working capital limits at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
3. During the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and hence reporting under clause 3(iii)(a) to (f) of the Order is not applicable to the Company.
4. In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief the Company has not granted any loans, made any investments, given any guarantee and security in terms of Section 185 and 186 of the Companies Act 2013 Therefore, the provisions of Clause 3(iv) of the Order are not applicable to the Company.
5. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Section 73 - 76 of the Act and the rules framed there under. Therefore, the provisions of Clause 3(v) of the Order are not applicable to the Company.
6. The Company is not required to maintain cost records as prescribed by the Central Government under section 148(1) of the Companies Act, 2013. Therefore, the provisions of Clause 3 (vi) of the Order are not applicable to the Company.

7. a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, and any other statutory dues to the appropriate authorities. No amount is outstanding in respect of these dues as on balance sheet date for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are no statutory dues specified in Clause 3 (vii) (a) outstanding which have not been deposited by the Company on account of any dispute.
8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. (a) The Company has taken an unsecured loan of Rs 1.00 Crore from Balmer & Lawrie Co. Ltd. (Holding Company). The Company has not defaulted in repayment of Loans and Borrowings or in the payment of Interest thereon to above lender during the year.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has an existing Term Loan of Rs 84.12 Crore (P Y. Rs. 90.62 Crore). The company has not defaulted repayment of its interest and installments.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements, the Company has not raised funds on short-term basis and hence, reporting under clause 3(ix)(d) of the Order is not applicable.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Companies Act 2013) during the year ended 31st March 2023 and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Companies Act 2013) during the year ended 31st March 2023 and hence, reporting under clause 3(ix)(f) of the Order is not applicable.
10. (a) In our opinion and according to information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
11. (a) During the course of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor material fraud on the Company, noticed or reported during the year, nor have we been informed of such cases by the management.

- (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, during the year and upto the date of this report.
- (c) During the course of our examination of the books and records of the Company, and according to the information given by the management, the Company has not received any whistle blower complaints during the year.
12. The Company is not a Nidhi Company as specified in Section 406 of the Companies Act 2013 and the Companies (Nidhi Companies) Rules, 2014. Therefore, the provisions of Clause 3 (xii) of the order are not applicable to the company.
13. In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable and details thereof have been disclosed in the notes to the financial statements as required by relevant Accounting Standards.
14. (a) In our opinion and according to information and explanations given by the management, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, the Company has not entered into any non-cash transactions with directors or persons connected with him in terms of Section 192 of the Companies Act 2013. Therefore, the provisions of Clause 3 (xv) of the Order are not applicable to the Company.
16. (a) During the course of our examination of the books and records of the Company, and according to the information and explanations given to us, in our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (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.
17. The Company has incurred cash losses of Rs 67.41 lakh during the financial year as compared to the no cash losses in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.

19. 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.
20. The Company is not required to undertake Corporate Social Responsibility (CSR) activities in accordance with Section 135 of the Companies Act, 2013.

For ADR & ASSOCIATES
Chartered Accountants
Firm Registration No. 325092E

D S Tiwari
Partner
Membership No. 058824

UDIN: 23058824BGVJIT1179

Place: Kolkata
Date: 15.05.2023

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Independent Auditors' Report on even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Visakhapatnam Port Logistics Park Limited** (“the Company”) as of March 31, 2023 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 Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 ADR & ASSOCIATES
Chartered Accountants
Firm Registration No. 325092E

D S Tiwari
Partner
Membership No. 058824

UDIN: 23058824BGVJIT1179

Place: Kolkata
Date: 15.05.2023

ANNEXURE C TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in Independent Auditors' Report on even date)

General Directions under section 143(5) of the Companies Act, 2013 in respect of Visakhapatnam Port Logistics Park Limited for the financial year 2022-2023:

Sl. No.	Questionnaires	Remarks
1	<p>Whether the company has system in place to process all the accounting transactions through IT system?</p> <p>If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.</p>	<p>According to the information and explanations given to us and based on our audit, all accounting transactions are routed through ERP system implemented by the Company. Year end Financial Statements are compiled offline based on balances and transactions generated from ERP system.</p> <p>We have neither been informed nor we have come across during the course of our audit any accounting transactions having impact on the integrity of the accounts along with the financial implications which have been processed outside the IT system.</p>
2	<p>Whether there is any restructuring of an existing loan or cases of waiver / write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan?</p> <p>If yes, the financial impact may be stated.</p> <p>Whether such cases are properly accounted for?</p>	<p>There is no restructuring of an existing loan or cases of waiver / write off of debt/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan during the Financial year under Audit.</p>
3	<p>Whether funds (grants/subsidy etc.) received / receivable for specific schemes from Central / State Government or its agencies were properly accounted for/utilized as per its term and conditions?</p> <p>List the cases of deviation.</p>	<p>No such funds (grants/subsidy etc) received/receivable for specific schemes from Central / State Government or its agencies.</p> <p>Accordingly, there is no impact on the financial statements.</p>

For ADR & ASSOCIATES
Chartered Accountants
Firm Registration No. 325092E

D S Tiwari
Partner
Membership No. 058824

UDIN: 23058824BGVJIT1179

Place: Kolkata
Date: 15.05.2023

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013
ON THE FINANCIAL STATEMENTS OF
VISAKHAPATNAM PORT LOGISTICS PARK LIMITED
FOR THE YEAR ENDED 31 MARCH 2023**

The preparation of financial statements of Visakhapatnam Port Logistic Park Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 15 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Visakhapatnam Port Logistic Park Limited for the year ended 31 March 2023 under section 143 (6) (a) of the Act.

**For and on behalf of the
Comptroller & Auditor General of India**

**Place: Kolkata
Date: 21 June 2023**

**Atul Prakash
Principal Director of Audit (Mines)
Kolkata**

Visakhapatnam Port Logistics Park Limited
CIN - U63090WB2014GOI202678
Balance Sheet as at 31st March 2023

(Rs in Lakhs)

	Particulars	Note No.	As at 31st March 2023	As at 31st March 2022 (Restated)	As at 31st March 2021 (Restated)
	ASSETS				
1	Non-current assets				
(a)	Property, Plant and Equipment	1	13,546.08	14,324.48	15,110.41
(b)	Right-of-use assets	2	3,961.80	4,143.25	4,324.71
(c)	Capital Work-in-Progress	4	-	16.32	-
(d)	Other Intangible Assets	3	24.45	10.13	13.13
	Total Non-Current Assets		17,532.33	18,494.18	19,448.25
2	Current assets				
(a)	Financial Assets				
	i) Trade Receivables	5	149.96	238.53	145.25
	ii) Cash and Cash Equivalents	6	0.97	73.63	35.82
	iii) Other Balances with Bank	7	19.00	312.00	-
	iv) Others	8	38.85	40.24	49.05
(b)	Non-Financial Assets - Others	9	255.08	514.10	604.91
	Total Current Assets		463.86	1,178.50	835.03
	TOTAL ASSETS		17,996.19	19,672.68	20,283.28
	EQUITY AND LIABILITIES				
	Equity				
(a)	Equity Share Capital	10	13,506.50	13,506.50	13,506.50
(b)	Other Equity	11	(5,691.27)	(4,636.96)	(3,740.25)
	Total Equity		7,815.23	8,869.54	9,766.25
	Liabilities				
(1)	Non-Current Liabilities				
(a)	Financial Liabilities				
	(i) Borrowings	12	7,705.74	8,415.92	8,877.18
	(ii) Lease liabilities	13	19.90	20.12	20.30
(b)	Provision				
	Total Non-Current Liabilities		7,725.64	8,436.04	8,897.48
(2)	Current liabilities				
(a)	Financial Liabilities				
	(i) Borrowings		330.03	230.03	230.03
	(ii) Lease liabilities	13	1.56	1.69	1.83
	(iii) Trade Payables	14			
	(A) Total outstanding dues of Micro, Medium and Small Enterprises		-	3.19	-
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		89.42	51.93	50.95
	(iv) Other Financial Liabilities	15	1,566.44	1,590.49	877.40
(b)	Non-Financial Liabilities - Others	16	444.07	472.02	448.06
(c)	Provisions	17	23.80	17.75	11.28
	Total Current Liabilities		2,455.32	2,367.10	1,619.55
	Total Liabilities		10,180.96	10,803.14	10,517.03
	TOTAL EQUITY AND LIABILITIES		17,996.19	19,672.68	20,283.28

The Significant Accounting Policies (I) and Notes (II) are integral part of these Financial Statements.
In terms of our Audit Report of even date attached

For ADR & ASSOCIATES
Chartered Accountants
Firm Registration No. 325092E

D. S. Tiwari
Partner
Membership No. 058824

Place: Kolkata
Date: 15.05.2023

For and on behalf of
Visakhapatnam Port Logistics Park Limited

Adhip N Palchaudhuri
(DIN: 08695322)
Director

Saurav Dutta
(DIN: 10042140)
Director

Romon Sebastian Louis
(DIN: 08710802)
Director

A. Venu Prasad
(DIN: 09207446)
Director

Visakhapatnam Port Logistics Park Limited CIN - U63090WB2014GOI2020678 Statement of Profit and Loss for the year ended 31st March, 2023				
(Rs in Lakhs)				
	Particulars	Note No.	For the year ended 31 st March 2023	For the year ended 31 st March 2022
	REVENUE			
I	Revenue from Operations	18	1235.72	1395.09
II	Other Income	19	20.57	10.28
III	Total Income (I + II)		1256.29	1405.37
	EXPENSES			
IV	Cost of Material Consumed and Services Rendered	20	36.15	88.07
	Employee Benefits Expenses	21	76.36	66.07
	Finance Costs	22	836.41	773.86
	Depreciation and Amortization Expenses	23	986.90	981.48
	Administration and Other Expenses	24	374.78	392.60
	Total Expenses (IV)		2310.60	2302.08
V	Profit Before Tax (III - IV)		(1054.31)	(896.71)
VI	Tax Expenses:			
	Current Tax		-	-
	Deferred Tax		-	-
VII	Profit / (Loss) for the year (V - VI)		(1054.31)	(896.71)
VIII	Other Comprehensive Income for the year		-	-
IX	Total Comprehensive Income for the year (VII + VIII)		(1054.31)	(896.71)
X	Earnings per equity share (Face Value of Rs. 10/- each)			
	i) Basic (in Rs.)		(0.78)	(0.66)
	ii) Diluted (in Rs.)		(0.78)	(0.66)
<p>The Significant Accounting Policies (I) and Notes (II) are integral part of these Financial Statements. In terms of our Audit Report of even date attached</p>				
For ADR & ASSOCIATES Chartered Accountants Firm Registration No. 325092E		For and on behalf of Visakhapatnam Port Logistics Park Limited		
D. S. Tiwari Partner Membership No. 058824		Adhip N Palchaudhuri (DIN: 08695322) Director	Saurav Dutta (DIN: 10042140) Director	
Place: Kolkata Date: 15.05.2023		Romon Sebastian Louis (DIN: 08710802) Director	A. Venu Prasad (DIN: 09207446) Director	

Visakhapatnam Port Logistics Park Limited CIN - U63090WB2014GOI2020678 Cash Flow Statement for the year ended 31st March, 2023			
(Rs in Lakhs)			
	Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
A	Cash Flow from Operating Activities		
	Net Profit / (Loss) before tax	(1,054.31)	(896.71)
	Adjustment for -		
	Depreciation & Amortisations	986.90	981.48
	Interest	836.41	773.86
	Provisions	0.00	0.00
	Operating Profit before Working Capital Changes	769.00	858.63
	Adjustment for -		
	Current Liabilities	(11.66)	847.67
	Current Assets	641.98	(305.65)
	NET CASH FROM OPERATING ACTIVITIES	1,399.31	1,400.65
B	Cash Flow from Investing Activities		
	Fixed Assets - Capital Work in Progress	-	(16.32)
	Purchase of Fixed Assets	(7.43)	(11.12)
	Addition in Intangible assets under development	(17.60)	
	NET CASH FROM INVESTING ACTIVITIES	(25.03)	(27.44)
C	Cash Flow from Financing Activities		
	Payment of lease liabilities	(0.35)	(0.32)
	Proceeds from Borrowings	(610.19)	(561.21)
	Interest	(836.41)	(773.86)
	NET CASH FROM FINANCING ACTIVITIES	(1,446.94)	(1,335.39)
	Net Changes in Cash & Cash Equivalents (A+B+C)	(72.66)	37.82
	Cash & Cash Equivalents: Opening Balance	73.63	35.82
	Cash & Cash Equivalents: Closing Balance	0.97	73.63
For ADR & ASSOCIATES Chartered Accountants Firm Registration No. 325092E		For and on behalf of Visakhapatnam Port Logistics Park Limited	
D. S. Tiwari Partner Membership No. 058824		Adhip N Palchaudhuri (DIN: 08695322) Director	Saurav Dutta (DIN: 10042140) Director
Place: Kolkata Date: 15.05.2023		Romon Sebastian Louis (DIN: 08710802) Director	A. Venu Prasad (DIN: 09207446) Director

Visakhapatnam Port Logistics Park Limited
CIN - U63090WB2014GOI202678
Statement of Changes in Equity for the year ended 31st March, 2023

(Rs in Lakhs)

A Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
13,506.50	0	13,506.50	0	13,506.50

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous reporting period
13,506.50	0	13,506.50	0	13,506.50

B Other Equity

(1) Current reporting period

	Reserves and Surplus				
	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income (OCI) Reserve	Total
Balance at the beginning of the current reporting period	-	-	(4,636.96)	-	(4,636.96)
Changes in Accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	(4,636.96)	-	(4,636.96)
Total Comprehensive Income for the current Year	-	-	(1,054.31)	-	(1,054.31)
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Bonus shares issued	-	-	-	-	-
Retained earnings adjustment	-	-	-	-	-
Remeasurement gain/(loss) during the year	-	-	-	-	-
Balance at the end of the current reporting period	-	-	(5,691.27)	-	(5,691.27)

(2) Previous reporting period 31.03.2022

	Reserves and Surplus				
	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income (OCI) Reserve	Total
Balance at the beginning of the previous reporting period	-	-	(3,723.59)	-	(3,723.59)
Changes in accounting policy or prior period errors	-	-	(16.66)	-	(16.66)
Restated balance at the beginning of the previous reporting period	-	-	(3,740.25)	-	(3,740.25)
Total Comprehensive Income for the previous Year	-	-	(896.71)	-	(896.71)
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Bonus shares issued	-	-	-	-	-
Retained earnings adjustment	-	-	-	-	-
Remeasurement gain/(loss) during the year	-	-	-	-	-
Balance at the end of the previous reporting period	-	-	(4,636.96)	-	(4,636.96)

This is the Statement of Changes in Equity referred to in our report of even date.
As per our report attached

For ADR & ASSOCIATES
Chartered Accountants
Firm Registration No. 325092E

D. S. Tiwari
Partner
Membership No. 058824

Place: Kolkata
Date: 15.05.2023

For and on behalf of
Visakhapatnam Port Logistics Park Limited

Adhip N Palchaudhuri
(DIN: 08695322)
Director

Romon Sebastian Louis
(DIN: 08710802)
Director

Saurav Dutta
(DIN: 10042140)
Director

A. Venu Prasad
(DIN: 09207446)
Director

Visakhapatnam Port Logistics Park Limited
CIN - U63090WB2014GOI202678

I. Significant Accounting Policies and other explanatory information to the financial statements of Visakhapatnam Port Logistics Park Limited for the year ended 31 March 2023

1. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

Basis of Preparation

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended, issued by Ministry of Corporate Affairs ('MCA') and other relevant provisions of the Companies Act, 2013. The Company has uniformly applied the accounting policies during the period presented. These Financial Statements have been prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS). Unless otherwise stated, all amounts are stated in lakhs of Rupees.

The preparation of financial statements requires the use of accounting estimates which, by definition, may or may not equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

The financial statements for the year ended 31st March, 2023 are authorised and approved for issue by the Board of Directors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared using the accounting policies and measurement basis summarized below.

2.1 Historical cost convention

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

- Certain financial assets and liabilities, measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans, plan assets measured at fair value

Visakhapatnam Port Logistics Park Limited
CIN - U63090WB2014GOI202678

I. Significant Accounting Policies and other explanatory information to the financial statements of Visakhapatnam Port Logistics Park Limited for the year ended 31 March 2023

2.2 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.3 Property, plant and equipment (including Capital Work-in-Progress)

Items of Property, plant and equipment are valued at cost of acquisition inclusive of any other cost attributable to bringing the same to their working condition. Property, plant and equipment manufactured /constructed in house are valued at actual cost of raw materials, conversion cost and other related costs.

For this purpose, cost includes deemed cost which represents the cost of leasehold land having lease tenure over thirty (30) years is amortised over the period of lease. Leases having tenure of thirty (30) years or less are treated as operating lease and disclosed under prepaid expense.

Expenditure incurred during construction of capital projects including related pre-production expenses is treated as Capital Work-in- Progress and in case of transfer of the project to another body, the accounting is done on the basis of terms of transfer.

Machine Spares whose use is irregular are classified as Capital Spares. Such capital spares are capitalised as per Plant, Property & equipment.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses' respectively.

Visakhapatnam Port Logistics Park Limited
CIN - U63090WB2014GOI202678

I. Significant Accounting Policies and other explanatory information to the financial statements of Visakhapatnam Port Logistics Park Limited for the year ended 31 March 2023

Depreciation / Amortisation:

Depreciation on tangible assets is provided on pro-rata basis on the straight-line method over the estimated useful lives of the asset or over the lives of the assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower.

The estimated useful life for various building, property, plant and equipment is given below:

Assets	Years
Plant and Machinery	15.00
Electrical Installations and Equipment	10.00
Furniture & Fittings	10.00
Office Equipment's	5.00
Railway's sidings	15.00
Building & Sidings*	30.00
Factory buildings*	30.00
Computers and data processing units	3.00
Mobile Phones and Portable Personal Computers	2.00

* The estimated useful life of the assets has, however been restricted to the remaining lease period of the land.

The Residual values of all assets are taken as NIL.

2.4 Intangible Assets

- a) Expenditure incurred for acquiring intangible assets like software costing Rs.500,000 and above and license to use software per item of Rs.25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit.
- b) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred.

Visakhapatnam Port Logistics Park Limited
CIN - U63090WB2014GOI202678

I. Significant Accounting Policies and other explanatory information to the financial statements of Visakhapatnam Port Logistics Park Limited for the year ended 31 March 2023

2.5 Impairment of Assets

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on appropriate discount factor.

2.6 Financial Instruments

Recognition, initial measurement and De recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. *However, trade receivables that do not contain a significant financing component are measured at transaction price.* Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are de recognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is de recognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortised cost
- financial assets at fair value through profit or loss (FVTPL)

Visakhapatnam Port Logistics Park Limited
CIN - U63090WB2014GOI202678

I. Significant Accounting Policies and other explanatory information to the financial statements of Visakhapatnam Port Logistics Park Limited for the year ended 31 March 2023

All financial assets except for those at FVTPL are subject to review for impairment.

Amortised cost

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment when they are past due and based on Company's historical counterparty default rates and forecast of macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment. There are no universal expected loss percentages for the Company as a whole. The Company generally consider its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the Company estimates that the provision computed on its trade receivables is not materially different from the amount computed using Expected credit loss method prescribed under In AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of Expected credit losses.

2.7 Government grants.

- a) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Visakhapatnam Port Logistics Park Limited
CIN - U63090WB2014GOI202678

I. Significant Accounting Policies and other explanatory information to the financial statements of Visakhapatnam Port Logistics Park Limited for the year ended 31 March 2023

- b) Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- c) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.8 Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

Services rendered:

When control over the service rendered in full or part is recognized by the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from rendering the services.

Other income:

Interest income is recognised on a time proportion using the effective Interest rate method

Dividend from investments in shares on establishment of the Company's right to receive.

2.9 Employee benefits

- a) Company's contributions to Provident Fund and Superannuation Fund/NPS are charged to Profit and Loss.
- b) Employee benefits in respect of Gratuity, Leave Encashment, are charged to Profit & Loss

Visakhapatnam Port Logistics Park Limited
CIN - U63090WB2014GOI202678

I. Significant Accounting Policies and other explanatory information to the financial statements of Visakhapatnam Port Logistics Park Limited for the year ended 31 March 2023

2.10 Leases

The Company's lease asset classes primarily consist of lease for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

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I. Significant Accounting Policies and other explanatory information to the financial statements of Visakhapatnam Port Logistics Park Limited for the year ended 31 March 2023

2.11 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements are presented in INR currency, which is the functional and presentation currency of the Company.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

2.12 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available

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I. Significant Accounting Policies and other explanatory information to the financial statements of Visakhapatnam Port Logistics Park Limited for the year ended 31 March 2023

against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except:

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

This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

2.13 Provisions, Contingent liabilities and Capital commitments

- a) Provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provision amount are discounted to their present value where the impact of time value of money is expected to be material.
- b) Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company.
- c) Capital commitments and Contingent liabilities disclosed are in respect of items which exceed Rs.100,000 in each case.

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I. Significant Accounting Policies and other explanatory information to the financial statements of Visakhapatnam Port Logistics Park Limited for the year ended 31 March 2023

- d) Contingent liabilities pertaining to various government authorities are considered only on conversion of showcause notices issued by them into demand.

2.14 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other Borrowing Costs are recognised as expense in the period in which they are incurred.

2.15 Cash Flow Statement

Cash Flow Statement as per Ind AS -7 is prepared using the direct method whereby profit/loss is adjusted for the effects of transaction of a non –cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

2.16 Prior period Items

Material prior period items which arise in the current period as a result of error or omission in the preparation of prior periods financial statement are corrected retrospectively in the first set of financial statements approved for issue after their discovery by

- a) Restating the comparative amounts for the prior periods presented in which the error occurred, or
- b) If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.
- c) Any items exceeding twenty-five lakhs (Rs 25 Lakhs) shall be considered as material prior period item.
- d) Retrospective restatement shall be done to the extent that it is impracticable to determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the company shall restate the opening balances of assets, liabilities and equity for the earliest period for which retrospective restatement is practicable (which may be the current period)

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I. Significant Accounting Policies and other explanatory information to the financial statements of Visakhapatnam Port Logistics Park Limited for the year ended 31 March 2023

2.17 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, share splits or consideration that have changed the number of equity shares outstanding without a change in corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

For ADR & ASSOCIATES
Chartered Accountants
Firm Registration No. 325092E

For and on behalf of
Visakhapatnam Port Logistics Park Limited

D. S. Tiwari
Partner
Membership No. 058824

Adhip N Palchaudhuri
(DIN: 08695322)
Director

Saurav Dutta
(DIN: 10042140)
Director

Place: Kolkata
Date: 15.05.2023

Romon Sebastian Louis
(DIN: 08710802)
Director

A. Venu Prasad
(DIN: 09207446)
Director

Visakhapatnam Port Logistics Park Limited
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II. Notes forming part of the Financial Statements as at 31st March 2023

1 :- Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Building & Sidings	Factory Building	Electrical Installation and Equipments	Furniture and Fittings	Misc Equipments	Plant & Machineries	Railways sidings	Computers & Data Processing Units	Total
Year ended 31st March 2022									
Gross carrying amount									
Opening Gross Carrying Amount	9,862.38	3,746.12	1,121.02	334.43	10.07	1,604.34	401.67	5.65	17,085.68
Additions during the year			0.28		10.00	0.84			11.12
Deduction / Adjustments during the year	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	9,862.38	3,746.12	1,121.30	334.43	20.07	1,605.18	401.67	5.65	17,096.80
Accumulated Depreciation									
Opening Accumulated Depreciation	1,056.26	344.28	226.96	74.09	2.97	214.49	53.70	2.53	1,975.28
Depreciation charge during the year	369.82	142.90	112.11	33.44	3.43	106.96	26.78	1.60	797.04
Deduction / Adjustments during the year	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	1,426.08	487.18	339.07	107.53	6.40	321.45	80.48	4.13	2,772.32
Net Carrying Amount as on 31.03.2022	8,436.30	3,258.94	782.23	226.90	13.67	1,283.73	321.19	1.52	14,324.48
Year ended 31st March 2023									
Gross carrying amount									
Opening Gross Carrying Amount	9,862.38	3,746.12	1,121.30	334.43	20.07	1,605.18	401.67	5.65	17,096.80
Additions during the period		1.04	4.09		16.32	1.98		0.32	23.75
Deduction / Adjustments during the period								1.06	1.06
Closing Gross Carrying Amount	9,862.38	3,747.16	1,125.39	334.43	36.39	1,607.16	401.67	4.91	17,119.49
Accumulated Depreciation									
Opening Accumulated Depreciation	1,426.08	487.18	339.07	107.53	6.40	321.45	80.48	4.13	2,772.32
Depreciation charge during the Year	369.85	142.92	112.22	33.44	8.33	107.13	26.78	1.48	802.15
Deduction / Adjustments during the Year								1.06	1.06
Closing Accumulated Depreciation	1,795.93	630.10	451.29	140.97	14.73	428.58	107.26	4.55	3,573.41
Net Carrying Amount as on 31.03.2023	8,066.45	3,117.06	674.10	193.46	21.66	1,178.58	294.41	0.36	13,546.08

Visakhapatnam Port Logistics Park Limited
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II. Notes forming part of the Financial Statements as at 31st March 2023

2 :- Right-of-use assets

(i) **Amounts recognised in Balance sheet** (₹ in Lakhs)

Right of Use Assets	As at 31st March 2023		
	ROU Land Leasehold	ROU Others	Total
Gross Block			
Balance as at April 1, 2022	4,687.63	-	4,687.63
Additions during year	-	-	-
Gross Block as at March 31st, 2023	4,687.63	-	4,687.63
Accumulated Depreciation			
Balance as at April 1, 2022	544.38	-	544.38
Depreciation charge for the year	181.46	-	181.46
Accumulated Depreciation as at 31st March, 2023	725.84	-	725.84
Net value of ROU Asset as at 31st March, 2022	-	-	-
Net value of ROU Asset as at 31st March, 2023	3,961.80	-	3,961.80

(ii) **The following is the break-up of current and non-current lease liabilities as at 31st March, 2023**

Lease liabilities	As at 31st March 2023	As at 31st March 2022
Current	1.56	1.69
Non Current	19.90	20.12
Total	21.46	21.81

The following is the movement in lease liabilities during the year ended 31st March, 2023

Particulars	For the financial year 2022-23	For the financial year 2021-22
Balance at the beginning	21.81	22.13
Finance cost accrued during the year	1.80	1.82
Payment of lease liabilities	2.15	2.14
Balance at the end	21.46	21.81

(iii) **The following are amounts recognised in profit or loss:**

Particulars	For the year ended 31st March 2023	
	ROU Land Leasehold	Rent
Depreciation expense of Right of Use assets	181.46	-
Interest expense on Lease Liabilities	1.80	-
Rent expense in term of short term leases	-	2.42
Total	183.26	2.42

Particulars	For the year ended 31st March 2022	
	ROU Land Leasehold	Rent
Depreciation expense of Right of Use assets	181.46	-
Interest expense on Lease Liabilities	1.82	-
Rent expense in term of short term leases	-	2.39
Total	183.28	2.39

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II. Notes forming part of the Financial Statements as at 31st March 2023

3 :- Other Intangible Assets - Computer Software

(₹ in Lakhs)

Particulars	Other Intangible Assets	Total
Year ended 31st March 2022		
Gross carrying amount		
Opening Gross Carrying Amount	15.00	15.00
Additions during the year	-	-
Deduction / Adjustments during the year	-	-
Closing Gross Carrying Amount	15.00	15.00
Accumulated Depreciation		
Opening Accumulated Depreciation	1.87	1.87
Depreciation charge during the year	3.00	3.00
Deduction / Adjustments during the year	-	-
Closing Accumulated Depreciation	4.87	4.87
Net Carrying Amount as on 31.03.2022	10.13	10.13
Year ended 31st March 2023		
Gross carrying amount		
Opening Gross Carrying Amount	15.00	15.00
Additions during the year	17.60	17.60
Deduction / Adjustments during the year	-	-
Closing Gross Carrying Amount	32.60	32.60
Accumulated Depreciation		
Opening Accumulated Depreciation	4.87	4.87
Depreciation charge during the year	3.28	3.28
Deduction / Adjustments during the year	-	-
Closing Accumulated Depreciation	8.15	8.15
Net Carrying Amount as on 31.03.2023	24.45	24.45

Visakhapatnam Port Logistics Park Limited
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II. Notes forming part of the Financial Statements as at 31st March 2023

4 :- Capital Work-in-Progress

(i) : Details of Capital Work-in-Progress are as under :

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Capital Work-in-Progress - Tubewell, Tanks & Miscellaneous Equipment	-	16.32
TOTAL	0.00	16.32

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II. Notes forming part of the Financial Statements as at 31st March 2023

5 :- Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Considered Good - unsecured			
Outstanding for a period exceeding six months	-	-	-
Others	149.96	238.53	145.25
Total	149.96	238.53	145.25

Trade Receivables ageing schedule as at 31st March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	149.96	-	-	-	-	149.96
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Trade Receivables ageing schedule as at 31st March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	238.53	-	-	-	-	238.53
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Visakhapatnam Port Logistics Park Limited
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II. Notes forming part of the Financial Statements as at 31st March 2023

6 :- Cash & Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Balances with Banks		
In Current Account	0.97	73.63
Deposit Accounts' Balance		
Cheques, Drafts on hand		-
Cash on hand	-	-
Total	0.97	73.63

7 :- Other Balances with banks

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Earmarked balances with banks	19.00	312.00
Short-term Bank deposits		-
Total	19.00	312.00

8:- Current Financial Assets - Others

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Security Deposit	37.59	32.80
Accrued Interest- Receivable	1.26	7.44
Advances to Related Party:		
-Visakhapatnam Port Authority	-	-
Total	38.85	40.24

9 :- Other Current Assets (Non financial)

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Statutory Dues Recoverable	238.44	508.65
Other Prepaid Expenses	16.64	4.95
Sundry expenses recoverable	-	0.50
Total	255.08	514.10

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II. Notes forming part of the Financial Statements as at 31st March 2023

10 :- Equity Share Capital

(i) : Details of Authorised Share Capital are as under :

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Authorized:		
14,00,00,000 Equity Shares of Rs. 10/- each	14,000.00	14,000.00
Total	14,000.00	14,000.00

(ii) : Details of Issued, Subscribed and Paid-up Share Capital are as under :

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Issued, Subscribed and Paid-up Share Capital:		
13,50,64,963 Equity Shares of Rs. 10/- each fully paid up	13,506.50	13,506.50
Total	13,506.50	13,506.50

(iii) :Reconciliation of number of shares outstanding at the beginning and end of the reporting year are given below:

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Equity Shares at the beginning of the year	13,50,64,963	13,50,64,963
Add : Equity Shares allotted during the year	-	-
Equity Shares at the end of the year	13,50,64,963	13,50,64,963

(iv) Share holding pattern at the beginning and end of the reporting year are given below:

Details of the Equity Shares held by	2022-23		2021-22	
	No of shares	%	No of shares	%
Balmer Lawrie & Co. Ltd.	8,10,38,977	60	8,10,38,977	60
Visakhapatnam Port Authority *	5,40,25,985	40	5,40,25,985	40
Shri Sandip Das (Jointly with Balmer Lawrie & Co Ltd)	1	0	1	0
	13,50,64,963	100	13,50,64,963	100

* Represents: 5,40,25,985 Equity shares of face value Rs.10/- each have been issued to Visakhapatnam Port Authority against the consideration for allotment of lease hold land and no further amount is received in cash.

(v) The Company has only one class of shares referred to as equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

Visakhapatnam Port Logistics Park Limited
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II. Notes forming part of the Financial Statements as at 31st March 2023

11:- Other Equity

(i) Details of Other Equity are as under :

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Retained Earnings / Surplus	(5,691.27)	(4,636.96)
TOTAL	(5,691.27)	(4,636.96)

(ii) : Movement in Other Equity are as under :

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	(4,636.96)	(3,740.25)
Add: Loss Transferred from Statement of Profit & Loss	(1,054.31)	(896.71)
Total Retained Earnings / Surplus	(5,691.27)	(4,636.96)

Non Current Financial Liabilities

12:- Borrowings

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Borrowings:		
Term Loan from SBI	7,705.74	8,415.92
TOTAL	7,705.74	8,415.92

Current Financial Liabilities -

12 (a) Borrowings :

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Current maturities of Term Loan from SBI	706.00	646.29
TOTAL	706.00	646.29

13:- Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Right of Use Liability:		
Current lease liability	1.56	1.69
Non-current lease liability	19.90	20.12
TOTAL	21.46	21.81

Visakhapatnam Port Logistics Park Limited
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II. Notes forming part of the Financial Statements as at 31st March 2023

14:- Trade Payables

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Payable to Micro and Small Enterprises	-	3.19	-
Other Trade Payables	89.42	51.93	50.95
	89.42	55.12	50.95

Trade Payables ageing schedule as at 31st March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	85.69	3.73	-	-	89.42
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule as at 31st March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	3.19	-	-	-	3.19
(ii) Others	51.93	-	-	-	51.93
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Visakhapatnam Port Logistics Park Limited
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II. Notes forming part of the Financial Statements as at 31st March 2023

15:- Current Financial Liabilities - Others

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Payable to Related Party:		
- Balmer Lawrie & Co Ltd	605.50	631.20
Others - Security Deposits / Other Deposit	237.25	288.38
Other Liabilities	17.69	24.64
Current maturities of Long-Term Borrowings	706.00	646.29
Total	1,566.44	1,590.51

Visakhapatnam Port Logistics Park Limited
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II. Notes forming part of the Financial Statements as at 31st March 2023

Non Financial Liabilities:

16:- Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Statutory Remittances	4.68	3.94
Advance from Customers	0.21	0.03
Capital Creditors	438.13	466.29
Other Current Liabilities	1.05	1.76
Total	444.07	472.02

17:- Current Provisions

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for Audit fee	0.75	0.90
Provision for Employee Benefits	23.05	16.85
Total	23.80	17.75

18:- Revenue from operations

(₹ in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Sale of services		
Storage charges	961.27	1,047.23
Other service fees	274.45	347.86
Total	1235.72	1395.09

19:- Other Income

(₹ in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest Income	18.57	8.64
Other Income	2.00	1.64
Total	20.57	10.28

20:- Cost of Material Consumed and Services Rendered

(₹ in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Cost of Services Rendered	36.15	88.07
Total	36.15	88.07

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II. Notes forming part of Financial Statements for the year ended 31st March 2023

21:- Employee Benefits Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries and Wages	61.20	53.78
Contribution to Provident and other Funds	10.56	9.67
Staff Welfare Expenses	4.60	2.62
Total	76.36	66.07

22:- Finance Costs

(₹ in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest on secured loan	810.43	747.88
Interest on unsecured loan	24.18	24.15
Interest expenses on lease liabilities	1.80	1.83
Total	836.41	773.86

23:- Depreciation and Amortization Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Depreciation on Property, Plant and Equipment	802.16	797.02
Amortisation on Intangible Assets	3.28	3.00
Depreciation on Right-of-use assets	181.46	181.46
Total	986.90	981.48

24:- Administration and Other Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Repairs & Maintenance		
For Buildings	6.61	8.28
For Plant & Machineries	30.54	38.96
For Others	5.37	3.40
Rent *	2.42	2.39
Rates & Taxes	19.76	15.08
Travelling and Conveyance Expenses	7.40	5.68
Printing and Stationery	0.58	1.40
Postage & Courier Charges	0.20	0.10
Electricity, Water & Gas Charges	204.16	192.59
Office Expenses	10.03	7.96
Insurance	24.30	24.69
Bank charges#	0.02	29.08
Payment to Auditor	-	
Statutory Audit Fees	0.60	0.60
Tax Audit Fees	0.15	0.15
For Other Services	0.45	0.45
Professional & other fees	3.77	19.96
Security service cost	39.50	35.41
Telephone and Internet Expenses	4.34	4.48
Miscellaneous Expenses	14.58	1.94
Total	374.78	392.60

*Rent represents guest house rent short term lease (i.e. less than 12 months).

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25 Additional Disclosures forming part of Financial Statements for the year ended 31st March 2023

25.1 Company Overview:

Visakhapatnam Port Logistics Park Limited having its registered office at 21, Netaji Subhas Road, Kolkata 700001 is a private Company incorporated on 24th July 2014.

The Company has been formed as a Joint Venture Company (Government Company) having equity participation percentage of 60:40 between Balmer Lawrie & Co Limited and Visakhapatnam Port Authority.

The Company is engaged in setting up, operating and maintaining a Multi Modal Logistics Hub (MMLH) on land provided on lease by Visakhapatnam Port Authority for a period of 30 years.

25.2 Financial Risk Management:

The Company's activities expose it to credit risk, market risk and liquidity risk . The note relating to these risks are:

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is primarily from trade receivables and other receivables. The credit risk has been managed based on continuous monitoring of credit worthiness of customers, ability to repay and their past track record.

Market Risk

The Company started its commercial operations in FY 2019-20 and based on the commercial projections and other factors , the Company has adequately assessed commercial viability and addressed market risks.

Liquidity Risk

In assessing the company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company aims to maintain the level of its cash and cash equivalents and undrawn term loan limits which can be used in the event of an unforeseen interruption in cash flow. The company does not foresee any problems in discharging their liabilities towards trade payables and other current liabilities as and when they are falling due.

25.3 Financial instruments by category

(₹ in Lakhs)

For amortised cost instruments, carrying value represents the best estimate of fair value.

Particulars	31-Mar-23	31-Mar-22
Financial Assets		
Trade Receivables	149.96	238.53
Cash and Cash Equivalents	0.97	73.63
Other Balances with Bank	19.00	312.00
Others	38.85	40.24
TOTAL	208.78	664.40
Financial liabilities		
Borrowings - Long Term	7,705.74	8,415.92
Borrowings - Short Term	330.03	230.03
Other financial liabilities (including Trade Payables)	1,655.86	1,645.61
TOTAL	9,691.63	10,291.56

25.4 Term Loan

The Term Loan of the Company has been restructured under Reserve Bank of India's Resolution Framework for Covid 19 related stress. As per the new terms and conditions, the repayment period has extended by 2 years and has commenced from 30th September 2022 on quarterly basis.

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25 Additional Disclosures forming part of Financial Statements for the year ended 31st March 2023

25.5 Unsecured Loan

During the year the company has availed an unsecured loan for Rs.1.00 crore from the Holding Company at an agreed interest rate is 9.05% p.a. The loan tenure is for a maximum period of 3 years. Outstanding balance of loan is shown below:

Particulars	(₹ in Lakhs)	
	31-Mar-23	31-Mar-22
Opening balance of loan	230.03	230.03
Add: Fresh borrowing during the year	100.00	-
Less: Repayment of loan during the year	-	-
Closing balance of loan	330.03	230.03

25.6 Transactions with Related Party

Type of Transactions	Year Ending	Holding Company	Significant influence over the entity	(₹ in Lakhs)	
				Total	
Transactions during the financial year					
(i) Operation related expenditure to be reimbursed	31-03-2023	-	-	-	
	31-03-2022	0.37	-	0.37	
(ii) Purchase of goods	31-03-2023	-	0.61	0.61	
	31-03-2022	1.98	16.32	18.30	
(iii) Purchase of services	31-03-2023	1.31	-	1.31	
	31-03-2022	0.42	-	0.42	
(iv) Unsecured loan taken	31-03-2023	100.00	-	100.00	
	31-03-2022	-	-	-	
(v) Interest on unsecured loan expenses	31-03-2023	24.18	-	24.18	
	31-03-2022	24.15	-	24.15	
(vi) Lease rent expenses	31-03-2023	-	2.15	2.15	
	31-03-2022	-	2.15	2.15	
(vii) Sales & Others	31-03-2023	79.83	-	79.83	
	31-03-2022	122.89	-	122.89	
Balance at the end of financial year					
(viii) Net outstanding payable as on	31-03-2023	399.23	-	399.23	
	31-03-2022	446.69	-	446.69	
(ix) Outstanding loan balance as on	31-03-2023	330.03	-	330.03	
	31-03-2022	230.03	-	230.03	
(x) Interest on loan payable as on	31-03-2023	206.27	-	206.27	
	31-03-2022	184.51	-	184.51	
(xi) Advance/ Deposit for goods (net) as on	31-03-2023	-	1.64	1.64	
	31-03-2022	-	-	-	
(xii) Receivables	31-03-2023	13.83	-	13.83	
	31-03-2022	47.89	-	47.89	

25.7 Earnings per share	For the financial year	
	2022-23	For the financial year 2021-22
Net Profit / (Loss) Available for Equity Shareholders (₹ in Lakhs)	(1,054.31)	(896.71)
Weighted Average Number of Shares for Basic Earnings Per Share	13,50,64,963	13,50,64,963
Weighted Average Number of Shares for Diluted Earnings Per Share	13,50,64,963	13,50,64,963
Nominal Value of Shares (Rs. Per Share)	10	10
Basic Earnings Per Share	(0.78)	(0.66)
Diluted Earnings Per Share	(0.78)	(0.66)

25.8 The Company is engaged in the business of operating a Multi Modal Logistics Hub and is managed Organizationally as a single business segment. Accordingly the Company has a single primary reporting segment as envisaged in Ind AS-108 on "Segment Reporting".

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II. Notes forming part of the Financial Statements as at 31st March 2023

25.9 Key Financial Ratios

Sl. No.	Name of the Ratio	Items in Numerator	Items in Denominator	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022	% Change Compared to Previous Year	Explanation for changes more than 25% as compared to Previous Year
(a)	Current Ratio	Current Assets	Current Liabilities	0.19	0.50	-62%	Repayment of Term loan & FITL installements from Sep'22 onwards and reduction of DSRA deposit
(b)	Debt-Equity Ratio	Total Debts	Shareholders Equity (Net Worth)	1.12	1.21	-7%	NA
(c)	Debt Service Coverage Ratio	PBDIT	Interest & Lease Payments + Principal Repayments	0.54	0.92	-41%	Increase in loan repayment
(d)	Return on Equity Ratio	Profit after taxes	Average Shareholders Equity (Average Networth)	-0.03	-0.02	31%	Increase in loss due to decrease in revenue & interest rate increase
(e)	Inventory turnover ratio	Total Turnover	Average value of inventory	-	-	The Company does not have any inventory	NA
(f)	Trade Receivables turnover ratio	Total Turnover	Average Trade Receivables	1.59	1.82	-12%	
(g)	Trade payables turnover ratio	Cost of material consumed + Cost of services rendered	Average Trade Payables	0.13	0.42	-70%	Reduction in Cost of Service rendered due lower handling of cargo
(h)	Net capital turnover ratio	Total Turnover	Working Capital	-0.62	-1.17	-47%	Lower working capital due to term loan installements repayment started from Sep'22 onwards
(i)	Net Profit Ratio	Profit after taxes	Total Turnover	-0.85	-0.64	33%	Increase in loss due to decrease in revenue & interest rate increase
(j)	Return on Capital employed	PBIT	Net worth + Borrowings + Deferred Tax Liability	-0.025	-0.007	264%	Increase in loss
(k)	Return on investment	Dividend Income	Average investments			The Company does not have any investment	NA

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25.10 RESTATEMENT FOR THE YEAR ENDED 31 MARCH 2022 AND AS AT 1 APRIL 2021

In accordance with Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1, 'Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at 31 March 2022 and 1 April 2021 (beginning of the preceding period) and Statement of Profit and Loss for the year ended 31 March 2022 for error in calculation of depreciation since the financial year 2018-19.

Reconciliation of financial statement line items which are retrospectively restated are as under:

RECONCILIATION OF RESTATED ITEMS OF BALANCE SHEET AS AT 1 APRIL 2021

(₹ in Lakhs)

Particulars	Note No.	As at 1 st April 2021	Restatement as on 1 st April 2021 for prior periods in financial year 2022-23	As restated
ASSETS				
Non-current assets				
Property, Plant and Equipment	1	15,127.07	(16.66)	15,110.41
Right-of-use assets	2	4,324.71		4,324.71
Other Intangible Assets	3	13.13		13.13
Total Non-Current Assets		19,464.91		19,448.25
Current assets				
Financial Assets				
i) Trade receivables	4	145.25		145.25
ii) Cash and Cash Equivalents	5	35.82		35.82
iii) Others	6	49.05		49.05
Non-Financial Assets - Others	7	604.91		604.91
Total Current Assets		835.03		835.03
TOTAL ASSETS		20,299.94		20,283.28
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	8	13,506.50		13,506.50
Other Equity	9	(3,723.59)	(16.66)	(3,740.25)
Total Equity		9,782.91	(16.66)	9,766.25
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
i) Borrowings	10	8,877.18		8,877.18
ii) Lease liabilities	11	20.30		20.30
Other Non-Current Liabilities				
Total Non-Current Liabilities		8,897.48		8,897.48

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(₹ in Lakhs)

Particulars	Note No.	As at 1st April 2021	Restatement as on 1st April 2021 for prior periods in financial year 2022-23	As restated
Current liabilities				
Financial Liabilities				
i) Borrowings		230.03		230.03
ii) Trade Payables	12			
(A) Total outstanding dues of micro enterprises and small enterprises				
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		50.95		50.95
iii) Lease liabilities	11	1.83		1.83
iv) Other Financial Liabilities	13	877.40		877.40
Non-Financial Liabilities - Others	14	448.06		448.06
Provisions	15	11.28		11.28
Total Current Liabilities		1,619.55		1,619.55
Total Liabilities		10,517.03		10,517.03
TOTAL EQUITY AND LIABILITIES		20,299.94		20,283.28

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RECONCILIATION OF RESTATED ITEMS OF BALANCE SHEET AS AT 31.03.2022

(₹ in Lakhs)

Particulars	Note No.	As at 31 st March 2022	Restatement as on 31 st March 2022 for prior periods in financial year 2022-23	As restated
ASSETS				
Non-current assets				
Property, Plant and Equipment	1	14,416.95	(92.47)	14,324.48
Right-of-use assets	2	4,143.25		4,143.25
Capital Work-in-Progress	3	16.32		16.32
Other Intangible Assets	4	10.13		10.13
Total Non-Current Assets		18,586.65		18,494.18
Current assets				
Financial Assets				
i) Trade receivables	5	238.53		238.53
ii) Cash and Cash Equivalents	6	73.63		73.63
iii) Other Balances with Bank	7	312.00		312.00
iv) Others	8	40.24		40.24
Non-Financial Assets - Others	9	514.10		514.10
Total Current Assets		1,178.50		1,178.50
TOTAL ASSETS		19,765.15		19,672.68
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	10	13,506.50		13,506.50
Other Equity	11	(4,544.48)	(92.47)	(4,636.94)
Total Equity		8,962.01	(92.47)	8,869.54
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
i) Borrowings	12	8,415.92		8,415.92
ii) Lease liabilities	13	20.12		20.12
Total Non-Current Liabilities		8,436.04		8,436.04
Current liabilities				
Financial Liabilities				
i) Borrowings		230.03		230.03
ii) Trade Payables	14	1.69		1.69
(A) Total outstanding dues of micro enterprises and small enterprises		3.19		3.19

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(₹ in Lakhs)

Particulars	Note No.	As at 31 st March 2022	Restatement as on 31 st March 2022 for prior periods in financial year 2022-23	As restated
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		51.93		51.93
iv) Other Financial Liabilities	15	1,590.50		1,590.50
Non-Financial Liabilities - Others	16	472.01		472.01
Provisions	17	17.75		17.75
Total Current Liabilities		2,367.10		2,367.10
Total Liabilities		10,803.14		10,803.14
TOTAL EQUITY AND LIABILITIES		19,765.15		19,672.68

Reconciliation of restated items of Statement of Profit and Loss for the year ended 31 March 2022

(₹ in Lakhs)

Loss as per previously audited financial statement	(820.91)
Add: Depreciation as charged in the audited account	721.24
Loss before charging depreciation	(99.67)
Less: Revised depreciation as per restatement in line with Ind AS 8	797.04
Revised Loss as per restatement as per Ind AS 8	(896.71)

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26. Additional Disclosures forming part of Financial Statements for the year ended 31st March 2023

26.1 The company does not have any relationship as on 31.03.2023 or as on 31.03.2022 with struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

26.2 Details with respect to registration of charges or satisfaction with Registrar of Companies (ROC)

SI. No.	Charge-holder name and address	Date of creation of charge	Date of modification of charge	Amount (Rs. in Lakhs)	Whether charge satisfied (Yes/No)	Reason for delay in registration of satisfaction
1	State Bank of India Industrial Finance Branch I, Middleton Street Jeevandeep Building, 2 nd floor, Kolkata-700071	24 th April 2018	18 th May 2018 (1 st modification) 11 th June 2021 (2 nd modification)	12,500 12,500 9,151	No No No	Not Applicable

26.3 The company does not have any such case at the balance sheet date as on 31.03.2023 or as on 31.03.2022, where the borrowings from banks and financial institutions have been used otherwise than for the specific purpose for which it was taken.

26.4 The company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible Assets during the year ended 31.03.2023 or year ended 31.03.2022.

26.5 No proceeding have been initiated on or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder during the year ended 31.03.2023 or year ended 31.03.2022.

26.6 The company has not been declared willful defaulter by any bank or financial Institution or other lender during the year ended 31.03.2023 or year ended 31.03.2022.

26.7 Clause (87) of section 2 of the Companies Act, 2013 read with Rule 2 (2) (d) of the Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the company, during the year ended 31.03.2023 or year ended 31.03.2022, being a Government Company as referred to in clause (45) of section 2 of the Act.

26.8 No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 in respect of the company during the year ended 31.03.2023 or year ended 31.03.2022.

26.9 The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries during the year ended 31.03.2023 or year ended 31.03.2022.

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- 26.10** The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Parties) with the understanding, (whether recorded in writing or otherwise) that the company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries during the year ended 31.03.2023 or year ended 31.03.2022.
- 26.11** The company has not traded or invested in Crypto Currency or Virtual Currency during the year ended 31.03.2023 or year ended 31.03.2022.
- 26.12** The company has no such transactions not recorded in the books of account which have been surrendered or disclosed as income during the year ended 31.03.2023 or year ended 31.03.2022 in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961) and there is no immunity either to not disclose the same. There are no such cases of previously unrecorded income and related assets which have been recorded in the books of account during the year ended 31.03.2023 or year ended 31.03.2022.
- 26.13** Previous year's figures have been re-grouped or re-arranged wherever so required to make them comparable with current year figures.

For ADR & ASSOCIATES
Chartered Accountants
Firm Registration No. 325092E

For and on behalf of
Visakhapatnam Port Logistics Park Limited

D. S. Tiwari
Partner
Membership No. 058824

Adhip N
Palchauthuri
(DIN: 08695322)
Director

Saurav Dutta
(DIN: 10042140)
Director

Place: Kolkata
Date: 15.05.2023

Romon Sebastian
Louis
(DIN: 08710802)
Director

A. Venu Prasad
(DIN: 09207446)
Director



VISAKHAPATNAM
PORT LOGISTICS PARK LTD

A JV of Balmer Lawrie & Co. Ltd. and Visakhapatnam Port Authority