



## ADD & ASSOCIATES

Chartered Accountants  
P-168, Sector -B  
Metropolitan Co Op Hsg Soc Ltd  
Canal South Road  
Kolkata - 700 105  
Phone 2323-0178/2242-0406  
E-mail add\_associates@yahoo in

### INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF  
VISAKHAPATNAM PORT LOGISTICS PARK LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **VISAKHAPATNAM PORT LOGISTICS PARK LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016 the Statement of Profit and Loss, Cash Flow Statement and a summary of the significant accounting policies and other explanatory information

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules 2014 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

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit

We have taken into account the provisions of the Act the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error In making those risk assessments the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's





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Directors as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March 2016 and its profit/loss for the year ended on that date

## Report on other Legal and Regulatory Requirements

- 1 As required by the companies (Auditor's Report) Order ,2016( the order") issued by the Central Government in terms of Section 143(1) of the Act we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the order
- 2 As required by section 143(3) of the Act we report that
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit
  - b) In our opinion proper books of accounts 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 and the Cash flow Statement dealt with by this report are in agreement with the books of accounts
  - d) In our opinion, the aforesaid standalone financial statements comply with Accounting Standards specified under Section 133 of the Act, read with rule 7 of the companies (Accounts) rules, 2014
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2016 from being appointed as a director in terms of Section 164(2) of the Act
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B"
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) rules, 2014, in our opinion and to the best of our information and according to the explanations given to us






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- h) The Company has no pending litigation on its financial position in its financial statements
- ii) The Company has not entered into any long -term contract or derivative contract and hence no provision for loss made
- iii) The Company was not required to transfer any amount to the Investor Education and Protection Fund
- iv) As required by section 143(5) of the Act, a statement on the matters specified as per directions given by the comptroller & Auditor General of India, is given in "Annexure-C"

For ADD & ASSOCIATES  
Chartered Accountants  
FRN-308064E



*(Signature)*  
(S DEY BANDOPADHYAY)  
Partner  
M No 064055

Place Kolkata  
Date 13' 05 2016



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## Annexure –A

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year-ended 31<sup>st</sup> March 2016 state that -

(i) (a) Maintenance of Fixed Assets records showing full particulars, including quantitative details and situation of fixed assets is adequate

(b) The fixed assets have been physically verified by the management at reasonable intervals

(c) There are no immovable properties in the name of the company

(ii) The Company has no inventory during the period and hence the clause is not applicable

(iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013

(iv) The Company has no loans, investments, guarantees, and security referred to in Section 185 and 186 of the Companies Act, 2013

(v) The Company has not accepted any deposits under the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013

(vi) Maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 has not been prescribed

(vii) (a) According to the information and explanations given to us the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and there are no arrears as on the last day of the financial year concerned for a period of more than six months from the date they became payable



(b) According to the information and explanations given to us no undisputed amount is payable in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax

(viii) The Company has no outstanding dues to a financial institution, bank, Government or dues to debenture holders

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans

(x) According to the information and explanations given to us no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year

(xi) The Company has not paid or provided any managerial remuneration during the year

(xii) Provisions relating to Nidhi Company not applicable to the Company

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the applicable accounting standards

(xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review

(xv) The company has not entered into any non-cash transactions with directors or persons connected with him

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

  
For ADD & ASSOCIATES  
Chartered Accountants  
FRN-308064E  
  
(S DEY BANDOPADHYAY)  
Partner  
M No 064055

Place Kolkata  
Date 13 05 2016



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## Annexure-B

**Report on the Internal financial controls under Paragraph(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 VISAKHAPATAM PORT LOGISTICS PARK LIMITED ("THE Company") as of 31<sup>st</sup> March 2016 in conjunction with our audit of the financial statement 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 component of Internal control stated in the guidance Note on Audit of Internal financial controls over Financial Reporting Issued by the Institute of Chartered Accountants of India ('ICAI') These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safe guarding of its assets, the prevention and detection of fraud 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 control 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 whether such controls operated effectively in all material respects

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk whether material weakness



exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedure selected depends on the auditor's judgment, 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 Region'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 transaction and disposition 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 authorization of management and directors of the company, and (3) provide reasonable assurance regarding prevention and or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have 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, projection of any evaluation of internal financial controls over financial reporting may become inadequate because of changes in condition, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, we have no qualified opinion as at 31<sup>st</sup> March, 2016.

For ADD & ASSOCIATES  
Chartered Accountants  
FRN-308064E  
  
(S DEY BANDOPADHYAY)  
Partner  
M No 064055



Place Kolkata  
Date 13/05/2016



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## Annexure-C

**M/S VISAKHAPATNAM PORT LOGISTICS PARK LTD**  
**21, N S ROAD, KOLKATA- 700001**

### Directions under Section 143(5) of the Companies Act 2013

Sl No	Direction	Replies of Auditor
1	Whether the company has clear title/lease deeds for freehold and leasehold respectively ? If not please state the area of freehold and leasehold land for which title/lease deeds are not available ?	No such freehold or leasehold property held by the Company
2	Whether there are any cases of waiver/write off of debts/loans/interest etc if yes, the reasons there for and amount involved	No such case
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Govt or other authorities	Not Applicable



For ADD & ASSOCIATES

Chartered Accountants

FRN-308064E

(S DEY BANDOPADHYAY)

Partner

M No 064055

Place Kolkata  
Date 13 05 2016



**VISAKHAPATNAM PORT LOGISTICS PARK LIMITED**  
**Balance Sheet as at 31st March 2016**

(₹ In lakhs)


<u>Particulars</u>		As at 31st March 2016	As at 31st March 2015
	Note No		
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	1	1 00	1 00
Reserves and Surplus	2	<u>(147 51)</u>	<u>(96 56)</u>
<b>Total Shareholders' Fund</b>		<b>(146 51)</b>	<b>(95 56)</b>
<b>Current Liabilities</b>			
Trade Payables - total outstanding dues to MSME			
Trade Payables - total outstanding dues other than MSME	3	6 51	
Other Current Liabilities	4	532 71	196 39
Short Term Provisions	5	<u>3 33</u>	
<b>Total Current Liabilities</b>		<u>542 55</u>	<u>196 39</u>
<b>TOTAL</b>		<u><u>396 04</u></u>	<u><u>100 83</u></u>
<b>ASSETS</b>			
<b>Non current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	6	15 35	
Capital Work in Progress		<u>373 31</u>	99 83
<b>Total Non current Assets</b>		<u>388 66</u>	99 83
<b>Current Assets</b>			
Inventories			
Trade Receivables			
Cash and Cash Equivalents		1 00	1 00
Short Term Loans and Advances	7	6 38	
Other Current Assets			
<b>Total Current Assets</b>		<u>7 38</u>	<u>1 00</u>
<b>TOTAL</b>		<u><u>396 04</u></u>	<u><u>100 83</u></u>
Additional Disclosure	10		

The Notes referred above and significant Accounting Policies form part of the Financial Statements

As per our report attached

For ADD & ASSOCIATES  
 Chartered Accountants  
 Firm Registration No. 308064E

CA'S DEY BANDOPADHYAY  
 Partner  
 Membership No. 064055  
 Kolkata the 13th May 2016



*Manoj Kumar Jaiswal*  
 Director

*[Signature]*  
 Director

*[Signature]*  
 Director

**STATEMENT OF PROFIT AND LOSS**  
**VISAKHAPATNAM PORT LOGISTICS PARK LIMITED**  
**Statement of Profit and Loss for the year ended 31st March 2016**

(₹ in lakhs)

	Note No	For the year ended 31 March 2016	For the year ended 31 March 2015
<b>Income</b>			
Revenue from Operations			
Less Excise Duty			
Revenue from Operations (Net of Excise)			
Other Income			
<b>Total Revenue</b>			
<b>Expenses</b>			
Finance Costs		0 00	
Depreciation and Amortisation Expenses	8	1 64	
Other Expenses	9	49 31	96 56
<b>Total Expenses</b>		<b>50 95</b>	<b>96 56</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>(50 95)</b>	<b>(96 56)</b>
<b>Exceptional items</b>			
<b>Profit before extraordinary items and tax</b>		<b>(50 95)</b>	<b>(96 56)</b>
Extraordinary Items		-	
<b>Profit before Tax</b>		<b>(50 95)</b>	<b>(96 56)</b>
<b>Tax Expenses</b>			
Current Tax			
Deferred Tax			
<b>Profit (Loss) for the period from continuing operations</b>		<b>(50 95)</b>	<b>(96 56)</b>
<b>Profit (Loss) from discontinuing operations</b>			
Tax expense of Discontinuing operations			
<b>Profit (Loss) from discontinuing operations (After Tax)</b>			
<b>Profit (Loss) for the period</b>		<b>(50 95)</b>	<b>(96 56)</b>
<b>Earnings per Equity Share (₹)</b>			
Basic		(509 54)	(965 60)
Diluted		(509 54)	(965 60)
Additional Disclosure	10		

The Notes referred above and significant Accounting Policies form part of the Financial Statements

As per our report attached

For ADD IE ASSOCIATES  
Chartered Accountants  
Firm Registration No. 30806  
CAS DEY BANDORADHYAY  
Partner  
Membership No. 064055



*Manoj Kumar Ghosh*  
Director

*[Signature]*  
Director

*[Signature]*  
Director

Kolkata, the 13th May 2016

**VISAKHAPATNAM PORT LOGISTICS PARK LIMITED**

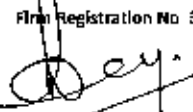
**CASH FLOW STATEMENT FOR THE YEAR ENDING 31 03 2016**

(₹ In lakhs)

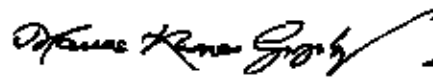

	Year Ended 31 03 2016	Year Ended 31 03 2015
<b>A</b>		
<b>Cash flow from operating activities</b>		
Net Profit / (Loss ) before tax	(50.95)	(96.56)
Adjustment for		
Depreciation	1.64	
Interest	0.00	
<b>Operating loss before Working Capital Changes</b>	<b>(49.31)</b>	<b>(96.56)</b>
Increase / (Decrease) Current Liabilities	346.16	196.39
Decrease / (Increase) Current Assets	6.38	
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>290.47</b>	<b>99.83</b>
<b>B</b>		
<b>Cash Flow from Investing Activities</b>		
Fixed Assets - Capital Work In Progress	(273.48)	(99.83)
Purchase of Fixed Assets	(16.99)	
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(290.46)</b>	<b>(99.83)</b>
<b>C</b>		
<b>Cash Flow from financing activities</b>		
Proceeds from Issuance of Shares		1.00
Interest paid	(0.00)	
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>0.00</b>	<b>1.00</b>
<b>Net Changes in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(0.00)</b>	<b>1.00</b>
Cash & Cash Equivalent: Opening Balance	1.00	
Cash & Cash Equivalent: Closing Balance	1.00	1.00

As per our report attached

For ADD & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 308064E

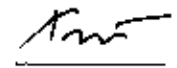
  
CA S. DEY BANDHURADHYAY  
Partner  
Membership No. 064055



Director

Director



Director

Kolkata the 13th May 2016

Note No 1	As at 31 March 2016		As at 31 March 2015	
	NUMBER		NUMBER	( ₹ In lakhs)
<b>A Share Capital</b>				
<u>Authorised</u>				
Equity Shares of ₹ 10 each	12,50,00,000	12,500,00	12,50,00,000	12,500,00
<u>Issued</u>				
Equity Shares of ₹ 10 each	10,000	1,00	10,000	1,00
<u>Subscribed &amp; Paid up</u>				
Equity Shares of ₹ 10 each fully paid	10,000	1,00	10,000	1,00
<b>Total</b>		<u>1,00</u>		<u>1,00</u>

B Details of Equity Shares held by the Holding Company	As at 31 March 2016		As at 31 March 2015	
	No of shares	%	No of shares	%
Balmer Lawrie and Company Limited	9,999	99.99%	9,999	99.99%
Shri Prabal Basu (as nominee of BL)	1	0.01%	1	0.01%

C Apart from disclosure in B above There are no other individual shareholders holding 5% or more in the issued share capital of the company

D Reconciliation of Share Capital	As at 31 March 2016		As at 31 March 2015	
		No of Shares		No of Shares
<u>Issued</u>				
Balance at the beginning of the year		10,000		10,000
Add Bonus Shares issued				
Balance at the end of the year		<u>10,000</u>		<u>10,000</u>
<u>Subscribed &amp; Paid up</u>				
Balance at the beginning of the year		10,000		10,000
Add Bonus Shares subscribed				
Balance at the end of the year		<u>10,000</u>		<u>10,000</u>

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Note No 2

( ₹ In lakhs)  
As at 31 March 2015

As at 31 March 2016

Reserves & Surplus

Surplus

Statement of Profit & Loss

Opening balance	(96 56)	
( ) Adj for Depreciation		
(+) Net Profit/(Net Loss) For the current year	(50 95)	(96 56)
( ) Proposed Dividends	-	
( ) Corporate tax on Dividend	-	
( ) Transfer to General Reserves	-	
Closing Balance	<u>(147 51)</u>	<u>(96 56)</u>
<b>Total</b>	<u><u>(147 51)</u></u>	<u><u>(96 56)</u></u>

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**Note No 3****Trade Payables**As at 31 March  
2016**{ ₹ in lakhs }**  
As at 31 March  
2015

Trade Payables (other than MSME)

6 51

**Total**6 51-**Note No 4****Other current Liabilities**As at 31 March  
2016**{ ₹ in lakhs }**  
As at 31 March  
2015

Others Payable Deposits &amp; Retention

8 81

-

Other Payable Creditors

29 90

0 15

Other Payable Statutory

11 95

-

Others Payable -payable to BL

482 06196 24**Total**532 71196 39**Note No 5****Short term provision**As at 31 March  
2016**{ ₹ in lakhs }**  
As at 31 March  
2015

Provision for Employee Benefits

3 33

**Total**3 33-

4



FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April 2015	Additions during the year	Total Cost of Items sold or scrapped/ Adjusted	As at 31 03 2016	As at 1st April 2015	Dep for year	Dep retrn	As at 31 03 2016	WDV AS ON 31 03 2016	WDV AS ON 31 03 2015
TANGIBLE ASSETS										
OFFICE EQUIPMENT		1.48		1.48		0.23		0.23	1.25	
FURNITURE & FITTINGS		4.61		4.61		0.45		0.45	4.15	
ELECTRICAL INSTALLATION & EQUIPMENT		4.17		4.17		0.57		0.57	3.60	
MISC EQUIPMENT		6.73		6.73		0.38		0.38	6.35	
Total Tangible Assets		16.99		16.99		1.64		1.64	15.35	
Total Tangible Assets Previous Year 14-15									-	

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Note No 7

As at 31 March 2016

( ₹ in lakhs)  
As at 31 March 2015

Short term Loans & Advances

(a) Loans & Advances to Related Party	-	-
(b) Others		
Deposits unsecured considered good	6 37	-
Other Loans & Advances unsecured considered good	0 01	-
<b>Total</b>	<u>6 38</u>	<u>          </u>

Note No 8

As at 31 March 2016

( ₹ in lakhs)  
As at 31 March 2015

Depreciation & Amortisation Expenses

Depreciation	1 64	
Amortisation of Intangible Assets		
<b>Total</b>	<u>1 64</u>	<u>          </u>

Note No 9

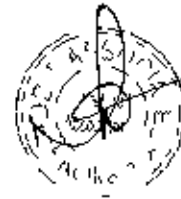
As at 31 March 2016

( ₹ in lakhs)  
As at 31 March 2015

Other Expenses

Repairs & Maintenance	1 11	-
Electricity & Gas	0 48	
Rent	11 02	
Packing, Despatching, Freight and Shipping Charges	0 81	
Auditors Remuneration and Expenses	0 17	0 15
Travelling Expenses	12 38	
Printing and Stationary	1 26	
Motor Car Expenses	0 52	
Communication Charges	0 14	
Miscellaneous Expenses	21 43	
Prior Period Income		
Prior Period Expenses		
	<u>49 31</u>	<u>0 15</u>
Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful, written back		
<b>Total</b>	<u>49 31</u>	<u>0 15</u>

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*[Handwritten signature]*



Note 10 ADDITIONAL DISCLOSURES

10.1 Visakhapatnam Port, Logistic Park Limited is a 100% Subsidiary of Balmer Lawrie and Company Limited as on 31.03.2016

10.2 Capital Commitment for the company as on 31.03.2016 is Rs 1212.81 Lacs comprising of the below mentioned items

	2015-16 (₹ In lakhs)	2014-15 (₹ In lakhs)
Boundary Wall	1121.91	
Project Management Consultancy	83.66	95.92
Soil Investigation	7.24	
Ground Water Investigation		0.47
Total	1212.81	96.39

10.3 Auditors remuneration and Expenses

	(₹ in lakhs)	
	2015-2016	2014-2015
Audit Fees	0.17	0.15

10.4 Depreciation and Amortization

	(₹ In Lakhs)	
	2015-2016	2014-2015
	1.64	

10.5 Related Party Disclosure

Name of Related Party	Nature of Relationship
Balmer Lawrie & Co Ltd	Holding Company

10.6 Transactions with Related Party

Type of Transaction Holding Company  
(₹ In lakhs)

Particulars	31st March, 2016	31st March, 2015
Net Outstanding Payable	482.06	196.24
Investment in Equity	1.00	1.00

Details of Net Outstanding as on 31.03.2016

Particulars	31st March 2016	31st March 2015
Opening Balance		196.24
Payment for amount expensed for CWIP	273.48	89.89
Payment for Fixed Assets	16.99	
Payment for Revenue Expenses	49.47	96.41
Payment against current assets	6.38	
Less: Amount against liabilities taken over	(60.49)	
Total	482.06	196.24

10.7 Earnings Per Share

- Earnings per share of the company has been calculated considering Loss of Rs 50.95 Lacs as the numerator
- The weighted average number of equity shares used as denominator for calculation of basic and diluted earnings per share is 10,000 and face value of Rs 10

10.8 Capital Work In Progress as at Balance sheet date is comprised of

(₹ In lakhs)

Asset classification ( )	31.03.2016	31.03.2015
Building & Civil	373.31	99.83

(\*) The Final Classification subject to final allocation/adjustment at the time of capitalisation

10.9 Interest Expense for the year amounted to Rs 436 (previous Year 2014-2015 was Nil)

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#### 4 Valuation of Inventories

- (i) Tools, dies, jigs and fixtures are written-off over the economic life except items costing up to Rs 10000 which are charged off in the year of issue

#### 5 Recognition of Revenue

Revenue is recognized in compliance with the following

a) *In case of services rendered*

When performance in full or part as having achieved is recognised by the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from rendering the services Income from Services are exclusive of Service Tax

b) *In case of other income*

- 1) Interest - on a time proportion basis taking into Account the outstanding principal and The relative rate of interest
- 2) Dividend from investments in shares - on establishment of the Company's right to receive

#### 6 Employee Benefits

- a) Company's contributions to Provident Fund and Superannuation fund are charged to Profit and Loss Account
- b) Employee benefits in respect of Gratuity, Leave Encashment, Long Service Awards are charged to Profit & Loss Account on the basis of actuarial valuation made at the year end
- c) Post retirement medical benefit is also recognized on the basis of actuarial valuation made at the year end

#### 7 Treatment of Prior Period and Extraordinary Items

- a) *Prior period items which arise in the current period as a result of error or omission in the preparation of prior period's financial statement are separately disclosed in the current statement of profit & loss. However, differences in actual income/expenditure arising out of over or under estimation in prior period are not treated as prior period income/expenditure*
- b) Income / Expenditure upto Rs 10000 in each case pertaining to prior years is charged to the current year



- c) Extraordinary items, i.e., gains or losses which arise from events or transactions which are distinct from the ordinary activities of the Company and which are material are separately disclosed in the statement of accounts

## 8 Foreign Currency Translations

- a) All transactions in foreign currency other than those specified below are converted at the exchange rate prevailing on the respective dates of transactions
- b) Monetary items denominated in a foreign currency (such as cash, balance in bank accounts, receivables, payables, etc.) are translated at the exchange rate prevailing on the date of Balance Sheet other than those covered with forward contract
- c) Non-monetary assets denominated in foreign currency such as Long Term Investment, Inventories and Fixed Assets are carried at cost
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit & Loss Account.

## 9 Treatment of Grant/Subsidy

- a) Revenue grant/subsidy in respect of research & development expenditure is set off against respective expenditure
- b) Capital grant/subsidy against specific fixed assets is set off against the cost of those fixed assets
- c) When grant/ subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular fixed assets the grant/subsidy so received is credited to capital reserve. On expiry of the stipulated period set out in the scheme of grant/subsidy the same is transferred from capital reserve to general reserve
- d) Revenue grant in respect of organization of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure

## 10 Accounting for Borrowing Cost

Borrowing Costs that are directly attributable to the acquisition, construction or production of assets which take substantial period of time to get ready for its intended use are capitalised as part of the cost of those assets. Other Borrowing Costs are recognized as expense in the period in which they are incurred



## 11 Impairment of Assets

An assessment is made at each Balance Sheet date to determine whether there is any 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 recognized 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.

## 12 Intangible Assets

- (a) Expenditure incurred for acquiring intangible assets like software of Rs 5,00,000 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 capitalized and amortized 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.

## 13 Provisions, Contingent Liabilities and Capital Commitments

- (a) Provision is recognized 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.
- (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 1,00,000 in each case.
- (d) Contingent liabilities are considered only on conversion of show cause notices issued by various Government authorities into demand.

## 14 Cash Flow Statement

Cash Flow Statement, as per Accounting Standard – 3 issued by The Institute of Chartered Accountants of India, is prepared using the Indirect Method.

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