

INDEPENDENT AUDITOR'S REPORT**To Members of Visakhapatnam Port Logistics Park Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of **Visakhapatnam Port Logistics Park Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, 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 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,

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021.

(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 Matter

We invite attention to Note No 23.10 to the Financial Statements, which describes the uncertainties associated with the COVID-19 pandemic and impact assessment made by the company on the Financial Statements. As mentioned in the said note, based on the future economic conditions, the actual impact may not be in line with the current estimates as made by the company, although the current impact assessment does not indicate any adverse impact on the ability of the company to continue as a going concern.

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



Other Matters

1. The Company is yet to appoint a full time Company Secretary in terms of Section 203(1) of the Companies Act 2013.
2. Due to the ongoing COVID-19 pandemic and the lockdown/other restrictions imposed by the Government, certain audit processes were carried out based on the remote access of the books of accounts/records and other necessary documents/information made available to us by the management through digital medium.

Our opinion is not modified in respect of these matters.

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 Report including Annexures to Board Report but does not include the financial statements and our auditors' report thereon. The Board Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the 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 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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, 2016 ("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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS 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, in our opinion and to the best of our information and according to the explanations given to us:
 1. The Company does not have any pending litigation which could have impact on its financial position in its financial statements. Refer Note No 23.12.
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



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3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For KGRS & Co
Chartered Accountants
Firm Registration No. 310014 E

Paramita Dasgupta



(P. Dasgupta)
Partner
Membership No. 303801
UDIN: 21303801AAAAKL7816

Place: Kolkata
Date: May 20, 2021

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

1.
 - a) The Company has updated its fixed asset register during the year. However, certain further details need to be recorded in the register to update with quantitative details and situation of its fixed assets.
 - b) The Company has physically verified its fixed assets during the year. No material discrepancies were noticed on such verification.
 - c) The lease deeds of immovable property are held in the name of the Company.
2. The Company does not hold any physical inventory, therefore the provisions of clause 3 (ii) of the Order is not applicable to the Company
3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required to be maintained under section 189 of the Companies Act 2013. Therefore, the provisions of Clause 3 (iii) of the Order are 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 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 Income-Tax, Goods and Service Tax, Cess with 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 dues of income tax, goods & service tax, duty of customs outstanding which have not been deposited by the Company on account of any dispute.
8. 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 not defaulted in repayment of dues to financial institution, bank, government except enumerated below:



Particulars	Amount of default of repayment as at balance sheet date	Period of default
Bank: State Bank of India	Rs.471/- lakhs [Principal: Rs 327 lakhs and Interest: Rs. 144 lakhs]	182 days [1 st October,2020 to 31 st March, 2021]

In reference to Note 23.4 of the financial statements, the Company has received in principle approval from the Bank for invocation of Resolution Plan under Reserve Bank of India's Resolution Framework for Covid 19 related stress for restructuring of the loan. But the terms of restructuring are yet to be finalised.

However, the Company has not issued any debentures.

9. According to information and explanations given to us and on the basis of our examination of the books of account, and records, the term loans availed by the Company were applied for the purposes for which these were sanctioned.

The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the period under audit.

10. 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 or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such cases by the Management.
11. Provisions of Section 197 of the Act read with Schedule V to the Act does not apply to a Government Company vide notification no. G.S.R. 463(E) dated 5th June,2015. Accordingly, the provisions of clause 3 (xi) of the Order is not applicable to the Company.
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 financial statements as required by relevant Accounting Standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of Clause 3 (xiv) of the Order are not applicable to the Company.
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.



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16. 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. Therefore, the provisions of Clause 3 (xvi) of the Order are not applicable to the Company.

For KGRS & Co
Chartered Accountants
Firm Registration No. 310014 E

P. Dasgupta



P. Dasgupta
Partner
Membership No 303801
UDIN: 21303801AAAAKL7816

Place: Kolkata
Date: May 20, 2021

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

Report on the Internal Financial Controls under Clause (f) 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, 2021 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, 2021, 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. We also draw attention to the 'Emphasis of Matter' paragraph of our Independent Auditor's Report of even date, with regard to COVID-19 assessment made by the company, our opinion is not modified in respect of this matter.



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Other Matters

Due to the ongoing COVID-19 pandemic and the lockdown/other restrictions imposed by the Government, certain audit processes were carried out based on the remote access of the books of accounts/records and other necessary documents/information made available to us by the management through digital medium.

Our opinion is not modified in respect of these matters.

For KGRS & Co
Chartered Accountants
Firm Registration No. 310014 E

Paramita Dasgupta

P. Dasgupta

Partner

Membership No. 303801

UDIN: 21303801AAAAKL7816



Place: Kolkata

Date: May 20, 2021

Annexure C: General Directions under section 143(5) of the Companies Act, 2013 in respect of Visakhapatnam Port Logistics Park Limited for the financial year 2020-21:

Sl. No.	Questionnaires	Remarks
1	<p>Whether the company has system in place to process all the accounting transactions through IT system? 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. Yearend 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 wavier/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?</p>	<p>The term loan availed from State Bank of India had turned Non-Performing Asset (NPA) as on 31st March, 2021 on account of default in repayment of principal and interest accrued thereon.</p> <p>However, as described in Note 23.4 the Company has received in principle approval from the Bank for invocation of Resolution Plan under Reserve Bank of India's Resolution Framework for Covid 19 related stress [The Framework]. The date of invocation for the proposed restructuring of the loan is 17th December 2020. The terms of restructuring are yet to be finalised. As per the Framework, the plan is to be implemented within a period of 180 days from the date of invocation.</p> <p>Pending approval of the framework, financial impact of the same is yet to be determined.</p>



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Sl. No.	Questionnaires	Remarks
3	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? List the cases of deviation.	No such funds received. Accordingly, there is no impact on the financial statements.

For KGRS & Co
Chartered Accountants
Firm Registration No. 310014E

P. Dasgupta



P. Dasgupta
Partner
Membership No 303801
UDIN: 21303801AAAAKL7816

Place: Kolkata
Date: May 20, 2021

Visakhapatnam Port Logistics Park Limited
CIN - U63090WB2014GOI202678
Balance Sheet as on 31st March 2021

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	1	15,327.07	15,873.85
(b) Right-of-use assets	2	4,324.71	4,506.17
(c) Other Intangible Assets	3	13.13	-
(d) Intangible Assets under development		-	5.00
Total Non-Current Assets		19,464.91	20,385.03
2 Current assets			
(a) Financial Assets			
i) Trade Receivables	4	145.25	55.05
ii) Cash and Cash Equivalents	5	35.82	61.96
iii) Others	6	49.05	32.98
(b) Non Financial Assets - Others	7	604.91	682.70
Total Current Assets		835.03	832.69
TOTAL ASSETS		20,299.94	21,217.72
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	8	13,506.50	13,506.50
(b) Other Equity	9	(3,723.59)	(2,464.83)
Total Equity		9,782.91	11,041.67
2 Liabilities			
Non-Current Liabilities			
Financial Liabilities			
i) Borrowings	10	8,877.18	7,887.05
ii) Lease liabilities	11	20.30	20.44
Other Non-Current Liabilities		24.67	24.04
Total Non-Current Liabilities		8,922.15	7,931.53
Current liabilities			
(a) Financial Liabilities			
i) Borrowings	23.5	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	115.48
iii) Lease liabilities	11	1.83	1.98
iv) Other Financial Liabilities	13	877.40	1,455.00
(b) Non Financial Liabilities - Others	14	423.39	436.56
(c) Provisions	15	11.28	5.47
Total Current Liabilities		1,594.88	2,244.52
Total Liabilities		10,517.03	10,176.05
TOTAL EQUITY AND LIABILITIES		20,299.94	21,217.72

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 KGRS & CO
Chartered Accountants
Firm Registration No. 310014E

(P Dasgupta)
Partner
Membership No. 303801

Place: Kolkata
Date: May 20, 2021



For and on behalf of
Visakhapatnam Port Logistics Park Limited

Adhip N Palchaudhuri
(DIN: 08695322)
Director

Sandip Das
(DIN: 08217697)
Director

Romonebastian Louis
(DIN: 08710802)
Director

N.H. Raghunathuni
(DIN: 08779975)
Director

Visakhapatnam Port Logistics Park Limited

CIN - U63090WB2014GOI202678

Cash flow statement for the year ended 31st March 2021

(₹ in Lakhs)

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
A Cash flow from Operating Activities		
Net Profit / (Loss) before tax	(1,258.76)	(1,604.78)
Adjustment for -		
Depreciation & Amortisations	943.57	982.37
Interest	681.50	682.18
Provisions	11.28	5.47
Operating Loss before Working Capital Changes	377.59	65.24
Adjustment for -		
Current Liabilities	(839.80)	(1,814.40)
Current Assets	152.98	135.39
NET CASH FROM OPERATING ACTIVITIES	(309.23)	(1,613.77)
B Cash Flow from Investing Activities		
Fixed Assets - Capital Work in Progress	-	23.12
Purchase of Fixed Assets	(28.39)	(23.49)
Addition in Intangible assets under development	5.00	(5.00)
NET CASH FROM INVESTING ACTIVITIES	(23.39)	(5.37)
C Cash Flow from Financing Activities		
Payment of lease liabilities	(2.15)	(2.15)
Proceeds from Borrowings	990.13	2,305.27
Interest	(681.50)	(682.18)
NET CASH FROM FINANCING ACTIVITIES	306.48	1,620.94
Net Changes in Cash & Cash Equivalents (A+B+C)	(26.14)	1.80
Cash & Cash Equivalent Opening Balance	61.96	60.16
Cash & Cash Equivalent Closing Balance	35.82	61.96

Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow".


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 KGRS & CO

Chartered Accountants

Firm Registration No. 310014

Parenita Dasgupta


(P Dasgupta)

Partner

Membership No. 303801

Place: Kolkata

Date: May 20, 2021



For and on behalf of

Visakhapatnam Port Logistics Park Limited

Adhip N Palchaudhuri

Adhip N Palchaudhuri

(DIN: 08695322)

Director

Romonsebastian Louis

Romonsebastian Louis

(DIN: 08710802)

Director

Sandip Das

Sandip Das

(DIN: 08217697)

Director

N.H. Raghupaturuni

N.H. Raghupaturuni

(DIN: 08779978)

Director

Signed for identification

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 2021

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 are the Company's first financial statements 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, 2021 are authorised and approved for issue by the Board of Directors. Amendments to the financial statements are permitted after approval.

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

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.

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 2021

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 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is de recognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is consistent with the useful lives followed for depreciating Property, Plant and Equipment.

2.7 Inventories

- a) Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –
- b) Raw materials & trading goods, stores & spare parts and materials for turnkey projects on the basis of weighted average cost.
- c) Work-in-progress on the basis of weighted average cost of raw materials and conversion cost up to the relative stage of completion where it can be reliably estimated.
- d) Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.
- e) Loose Tools are written off over the economic life except items costing up to Rs. 10000/- which are charged off in the year of issue.

2.8 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

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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 2021

2.9 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.
- 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.

2.10 Revenue recognition

Revenue is measured as the fair value of consideration received or receivable, excluding Goods & Service Tax.

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.

2.11 Employee benefits

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

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

2.12 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease

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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 2021

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 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.
- in respect of deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilized.

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.

2.15 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.

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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 2021

2.20 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.

2.21 Recent Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to the Company whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income specified under the head 'additional information' in the notes forming part of the standalone financial statements.

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B. Notes forming part of the Financial Statements as at 31st March 2021

1 - Property, Plant and Equipment

R in Lakhs

Particulars	Building & Sidings	Factory Building	Electrical Installation and Equipments	Furniture and Fittings	Office Equipments	Plant & Machineries	Railways sidings	Computers & Data Processing Units	Total
Year ended 31st March 2020									
Gross carrying amount									
Opening Gross Carrying Amount	9,862.38	5,746.12	1,120.51	334.60	0.08	1,581.14	401.67	2.30	17,048.80
Additions during the year	-	-	0.37	-	-	23.12	-	-	23.49
Deduction / Adjustments during the year	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	9,862.38	5,746.12	1,120.88	334.60	0.08	1,604.26	401.67	2.30	17,072.29
Accumulated Depreciation									
Opening Accumulated Depreciation	325.62	39.65	2.62	6.76	0.01	0.58	0.15	2.06	393.45
Depreciation charge during the year	375.51	145.21	112.43	32.95	0.01	107.91	25.00	0.08	800.91
Deduction / Adjustments during the year	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	700.93	204.86	115.05	39.71	0.02	108.49	25.15	2.14	1,198.36
Net Carrying Amount	9,161.45	5,541.26	1,005.83	294.89	0.06	1,495.77	376.52	0.16	15,873.94
Year ended 31st March 2021:									
Gross carrying amount									
Opening Gross Carrying Amount	9,862.38	5,746.12	1,120.88	334.60	0.08	1,604.26	401.67	2.30	17,072.29
Additions during the year	-	-	0.14	-	0.99	-	-	3.26	13.39
Deduction / Adjustments during the year	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	9,862.38	5,746.12	1,121.02	334.60	10.07	1,604.26	401.67	5.56	17,085.68
Accumulated Depreciation									
Opening Accumulated Depreciation	700.93	204.86	115.05	39.71	0.02	108.49	25.15	2.11	1,198.37
Depreciation charge during the year	360.76	139.57	101.23	29.65	2.93	100.72	25.20	0.18	761.24
Deduction / Adjustments during the year	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	1,061.69	344.43	216.28	69.36	3.05	209.21	50.35	2.29	1,958.61
Net Carrying Amount	8,800.69	5,401.69	904.74	265.24	7.02	1,395.05	351.32	3.27	15,127.07

II. Notes forming part of the Financial Statements as at 31st March 2021

2 :- Right-of-use assets

(i) Amounts recognised in Balance sheet

(₹ in Lakhs)

Right of Use Assets	As at 31 March 2021		
	ROU Land Leasehold	ROU Others	Total
Gross Block			
Balance as at April 1, 2020	4,687.63	-	4,687.63
Reclassified on account of adoption of Ind AS 116	0		0
Additions during year	-	-	-
Gross Block as at Mar 31, 2021	4,687.63	-	4,687.63
Accumulated Depreciation			
Balance as at April 1, 2020	181.46	-	181.46
Depreciation charge for the year	181.46	-	181.46
Accumulated Depreciation as at March 31, 2021	362.92	-	362.92
Net value of ROU Asset as at March 31, 2021	4,324.71	-	4,324.71

(ii) The following is the break-up of current and non-current lease liabilities as at March 31, 2021

(₹ in Lakhs)

Lease liabilities	As at 31st March 2021	As at 31st March 2020
Current	1.83	1.98
Non Current	20.30	20.44
Total	22.13	22.42

The following is the movement in lease liabilities during the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the financial year 2020-21	For the financial year 2019-20
Balance at the beginning	22.42	24.57
Finance cost accrued during the year	1.85	-
Payment of lease liabilities	2.14	2.15
Balance at the end	22.13	22.42

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

Particulars	For the year ended 31 March 2021	
	ROU Land Leasehold	Rent
Depreciation expense of Right of Use assets	181.46	-
Interest expense on Lease Liabilities	1.85	-
Rent expense in term of short term leases	-	2.19
Total	183.31	2.19

Particulars	For the year ended 31 March 2020	
	ROU Land Leasehold	Rent
Depreciation expense of Right of Use assets	181.46	-
Interest expense on Lease Liabilities	-	-
Rent expense in term of short term leases	-	2.22
Total	181.46	2.22

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II. Notes forming part of the Financial Statements as at 31st March 2021**4 :- Trade Receivables**

(₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Considered Good - unsecured		
Outstanding for a period exceeding six months	-	0.42
Others	145.25	54.63
Total	145.25	55.05

5 :- Cash & Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Balances with Banks		
In Current Account	35.82	61.96
Cash on hand	-	-
Total	35.82	61.96

6:- Current Financial Assets - Others

(₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Security Deposit	32.73	32.98
Advances to Related Party:		
-Visakhapatnam Port Trust	16.32	-
Total	49.05	32.98

Non Financial Assets:**7 :- Other Current Assets**

(₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Statutory Dues Recoverable	597.80	675.89
Other Prepaid Expenses	6.58	4.04
Advances to Related Party:		
- Balmer Lawrie & Co Ltd	-	1.26
Sundry expenses recoverable	0.53	1.51
Total	604.91	682.70

Visakhapatnam Port Logistics Park Limited

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II. Notes forming part of the Financial Statements as at 31st March 2021

9:- Other Equity

(i) : Details of Other Equity are as under :

(₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Retained Earnings / Surplus	(3,723.59)	(2,464.83)
Total	(3,723.59)	(2,464.83)

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

(₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Balance at the beginning of the year	(2,464.83)	(860.05)
Add: Transferred from Statement of Profit & Loss	(1,258.76)	(1,604.78)
Total Retained Earnings / Surplus	(3,723.59)	(2,464.83)

Non Current Financial Liabilities

10:- Borrowings

(₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Borrowings:		
Term Loan from SBI # (Refer Note 23.4)	8,877.18	7,887.05
	8,877.18	7,887.05

Terms & conditions of the term loan from SBI along with security clause :-

Nature of Facility:	Term Loan
Sanctioned Amount :	Rs.12,500 lakhs
Amount Availed :	Rs. 8,877.18 lakhs (including interest)
Rate of Interest:	3 months MCLR plus 10 basis point
Nature of Security:	1st charge on the entire fixed assets (present and future) of the Company and equitable mortgage on leasehold right of project land.

The Company has availed the six months moratorium period on repayment of term loan instalments and interest falling due between March 1, 2020 and August 31, 2020 as per RBI notification.

Visakhapatnam Port Logistics Park Limited

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II. Notes forming part of the Financial Statements as at 31st March 2021**Non Financial Liabilities:****14:- Other Current Liabilities****(₹ in Lakhs)**

Particulars	As at 31st March 2021	As at 31st March 2020
Statutory Remittances	2.63	3.50
Advance from Customers	0.03	11.63
Capital Creditors	418.27	418.27
Other Current Liabilities	2.46	3.16
Total	423.39	436.56

15:- Current Provisions**(₹ in Lakhs)**

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for Audit fee	0.60	0.75
Provision for Employee Benefits	10.68	4.72
Total	11.28	5.47

16:- Revenue from operations**(₹ in Lakhs)**

Particulars	For the financial year 2020-21	For the financial year 2019-20
Sale of services		
Storage charges	642.59	332.27
Other service fees	287.71	136.35
Total	930.30	468.62

17:- Other Income**(₹ in Lakhs)**

Particulars	For the financial year 2020-21	For the financial year 2019-20
Interest Income	3.25	1.74
Other Income	0.70	0.70
Total	3.95	2.44

18:- Cost of Material Consumed and Services Rendered**(₹ in Lakhs)**

Particulars	For the financial year 2020-21	For the financial year 2019-20
Cost of Material Consumed	0.13	0.83
Cost of Services Rendered	157.45	92.10
Total	157.58	92.92

Visakhapatnam Port Logistics Park Limited
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23. **Additional Disclosures forming part of Financial Statements for the year ended 31st March 2021**

23.1 **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 Trust.

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

23.2 **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 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.

23.3 **Financial Instruments by category**

(₹ in Lakhs)

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

Particulars	31-Mar-21	31-Mar-20
Financial Assets		
Trade Receivables	145.25	55.05
Cash and Cash Equivalents	35.82	61.96
Others	49.05	32.98
TOTAL	230.12	149.99
Financial liabilities		
Trade Payable	50.95	115.48
Borrowings - Long Term	8,922.15	7,931.53
Borrowings - Short Term	230.03	230.03
Other financial liabilities	877.40	1,455.00
TOTAL	10,080.53	9,732.04

23.4 **Term Loan**

The Company has received in principle approval from the Bank for invocation of Resolution Plan under Reserve Bank of India's Resolution Framework for Covid 19 related stress [The Framework]. The date of invocation for the proposed restructuring of the loan is 17th December 2020. The terms of restructuring are yet to be finalised. However in terms of the Framework, the plan is to be implemented within a period of 180 days from the date of invocation.

During pendency of the finalisation and implementation of the Resolution Plan, the loan has been classified as Non Performing Asset by the Bank as on 31st March 2021.

The amount of default involved is Rs 144/- lakhs in terms of unrealised interest and Rs 327/- lakhs in terms of principal repayment.

Visakhapatnam Port Logistics Park Limited

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23 Additional Disclosures forming part of Financial Statements for the year ended 31st March 2021

23.9 Earnings per share	For the financial year 2020-21	For the financial year 2019-20
Net Profit / (Loss) Available for Equity Shareholders (₹ in Lakhs)	(1,258.76)	(1,604.78)
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	(0.93)	(1.19)
Diluted Earnings Per Share	(0.93)	(1.19)

23.10 Impact of COVID-19 pandemic:

During the outbreak of COVID-19, Government has declared lockdown which have affected business in general. However, the services of the Company have been identified as an Essential Services and have been permitted to operate within the lockdown phases.

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition, impact on leases etc. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

23.11 Deferred Tax Asset:

During the year, the Company has not recognised deferred tax assets (DTA) on account of unabsorbed depreciation or carry forward of losses under tax laws since Deferred tax asset ("DTA") is recognized for carry forward of unused tax credit and unused tax losses, to the extent the carry forward of unused tax credits and unused tax losses can be utilized.

23.12 Contingent Liability

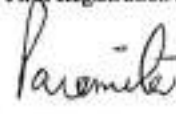
The company does not have any liability (other than those which has been recognised and provided in the books of accounts) which is contingent in nature as on 31st March 2021.

23.13 New labour Code

The Indian Parliament has approved four Labour Codes viz : The Code on Wages, 2019, The Code on Social Security, 2020, The Industrial Relations Code, 2020 and The Occupational Safety Health and Working Conditions, 2020 subsuming many existing legislations of labour welfare. These would impact the contributions by the Company towards Provident Fund, Bonus and Gratuity. Based on initial assessment by the Company, the additional impact on Provident Fund contributions and Bonus provisions by the Company is not expected to be material, whereas, the likely additional impact on Gratuity liability/ contributions by the Company could be material. The Ministry of Labour and Employment has released draft rules for The Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are finally notified and will record any appropriate impact in the financial statements in the period(s) in which, the Codes become effective and the related rules to determine the financial impact are published.

23.14 Previous year's figures have been re-grouped or re-arranged wherever so required to make them comparable with current year figures.

In terms of our Audit Report of even date attached
For KGRS & CO
Chartered Accountants
Firm Registration No. 3100144

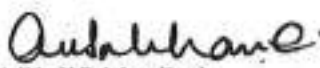

(P Dasgupta)
Partner
Membership No. 303801

Place: Kolkata
Date: May 28, 2021




Signed for identification

For and on behalf of
Visakhapatnam Port Logistics Park Limited


Adhip N Palchaudhuri
(DIN: 08635322)
Director

Romosebastian Louis
(DIN: 08719802)
Director


Sandip Das
(DIN: 08217697)
Director


N.H. Raghupatruni
(DIN: 08779978)
Director