



VIZAG GENERAL CARGO BERTH PRIVATE LIMITED

13TH ANNUAL REPORT

2022-2023

VIZAG GENERAL CARGO BERTH PRIVATE LIMITED

Board of Directors of the Company

Mr. Prasun Kumar Mukherjee	Non-Executive Independent Director
Mr. Vijay Chhibber	Non-Executive Independent Director
Mr. Chikkala Sateesh Kumar	Whole-time Director (WTD) and Chief Executive Officer
Mr. Anup Agarwal	Non-Executive Director

Key Managerial Personnel (KMP) of the Company

Mr. Kamalakanta Sahoo	Company Secretary
Mr. Vinay Chaurasia	Chief Financial Officer

Bankers

AXIS Bank Limited
Yes Bank Limited
ICICI Bank Limited

Statutory Auditors

S.R. Batliboi & Co. LLP,
Registration No. 301003E/E300005
Chartered Accountants

Registrar & Transfer Agents

KFin Technologies Limited
7th Floor, 701, Hallmark Business Plaza,
Sant Dnyaneshwar Marg, Off Bandra Kurla
Complex, Bandra (East) Mumbai - 400051

BOARD'S REPORT

To
The Members,
Vizag General Cargo Berth Private Limited
(VGCB)

The Board of Directors presents the 13th Annual Report of the Company together with the Audited Statement of Accounts for the Financial Year ended 31st March, 2023.

1. Financial Results

The summarized standalone results of your Company are provided below: -

(Rs. In Crores)

Particulars	2022-2023	2021-2022
Revenue from operation	175.5	161.69
Profit from operation before other Income, Finance Cost and exceptional Item	2.59	17.75
Other Income	3.84	2.67
Finance Cost	33.10	44.74
Exceptional Item		
Profit & Loss before tax	(27.02)	(24.27)
Tax Expense /(Credit)	(58.34)	(0.96)
Net profit/(Loss) after tax	31.32	(23.31)
Reserves excluding revaluation reserves as on balance sheet date	(27.33)	(58.64)

2. Dividend

Your Directors do not recommend any dividend for the year under review.

3. Transfer to Reserves

No amounts have been transferred to the Reserves during the year under review.

4. Review of Business Operations and Future Prospects - Management Discussion and Analysis

Overview of India Power Sector

Power is one of the most critical components of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

Market Size:

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower).

Total installed capacity of power stations in India stood at 412.21 Gigawatt (GW) as of Mar 2023 compared to 396.61 (GW) in Mar 2022.

Coal-based power generation has increased by 10% y-o-y in FY 23, which is 1,145.86 BU in FY23 compared to 1,041.49 BU in FY22. The coal-based power generation capacity is expected to reach 330-441 GW by 2040.

Coal India – Domestic Market overview:

Production:

Coal India and its subsidiaries produced 892.74 million Tons of coal in FY23 compared to 778.20 million Tons in FY22. Coal India Limited exceeded the annual output target of 700 MMT tonnes for the first time in 17 years with the production of 703.25 MMT in FY23. The production in the month of Mar 2023 is 107.84 million Tons compared to 96.26 million Tons in Mar 2022.

Coal Off takes:

Coal India and its subsidiaries dispatched 877.45 million Tons of coal in FY23 compared to 819.36 million Tons in FY22. Due to the power crisis in H1 FY23 the Power plants increased their production drastically and coal dispatch to power sector increased to 737.93 MMT in FY 23. India's steel production edged up to nearly 125 MnT in FY23 and coal dispatch to steel sector has grown by 46% with a dispatch of 9.44 MMT in FY 23 compared to 6.48 MMT in FY22

Coal Imports in India:

Total coal imports in India have been ~221 million tons in FY 23 compared to 181 million tons in FY 22. The break-up of coking coal and steam coal is tabulated below:

Description	FY23 (Million Tons)	FY22 (Million Tons)
Coking Coal	54.48	51.66
Steam Coal	166.00	128.89
Total	220.48	180.55

The coking coal imports increased by 5.5% and Steam coal import increased by 29%.

Coal Stocks: The coal demand in India has increased due to low level of stocks at Power sectors while steel producers have increased the production. The thermal plants have the stock for 12 days by the end of FY23 and total coal stock available in India by end of FY23 has been ~77 million Tons.

India is expected to become the largest coking coal importer through sea route by 2024 as the country pushes for more steel production. Despite the Government's aim of augmenting domestic washer capacity and achieving coking coal production of 140 MMT by FY30, imports are likely to grow parallelly with India's fast-expanding steelmaking capacity. Coking coal imports are projected to reach 75-80 MMT by 2025-2026.

Import Substitution:

Coal India Limited has been asked to plan a zero coal Import Mission by 2023-24 for substitutable coal. Thus, the entire substitutable imported coal demand is planned to be met by the country and no import other than very essential should happen.

Implementing on-going projects in a time bound manner to achieve targeted production as per schedule.

- 15 Greenfield Projects identified with a Capacity of about 160 MMTPA to be operated by Mine Developer cum Operator mode.
- Manual loading method eliminated in all underground mines of CIL.
- Introduction of Surface Miners in opencast mines to improve operational efficiency and cater to environmental needs.
- Introduction of Mass Production Technology in underground coal mines.

Presently CIL is offering Coal under Import Substitution to Sponge & Cement Sectors as well as CPPs.

Business Overview:

The Company was incorporated on April 20, 2010, pursuant to the Letter of Award by Visakhapatnam Port Authority (VPA), a major port, for the purpose of Mechanizing and Modernizing the General Cargo Berth at the outer Harbor of Vishakhapatnam Port. The Company entered into Concession Agreement with Visakhapatnam Port Authority on June 10, 2010 for strengthening of Berth for 200,000 DWT capacity vessels and mechanization of complete Coal based Cargo handling facilities for General Cargo Berth (GCB) at VPA, Visakhapatnam. The Company has been awarded Concession effective from October 08, 2010 for a period of 30 years.

In FY22 the Company entered into a supplementary agreement with VPA to handle other compatible (other than Steam coal and Coking Coal) cargoes at VGCB. In FY23, the Company handled volumes of 6.01 million Tons compared to 6.48 million tons in FY22. The Company has handled 0.19 MMT of other compatible cargoes along with 5.82 MMT of coal.

Business outlook of FY24:

India is the second largest producer and consumer of steel and easy availability of low-cost manpower and presence of abundant iron ore reserves makes India competitive in the global set up. The Steel Industry's growth is expected to give impetus to imports by steel producers in the hinterland of Visakhapatnam. Further SAIL – Bhilai unit, JSPL, BPSL etc. are increasing their production capacities and with incremental production the coking coal imports is expected to increase progressively.

The overall coal imports to Visakhapatnam

region in FY24 is expected to be ~ 26 - 28 million tons and VGCB has planned to handle 8 million tons with the increase in coal demand, decrease in coal rates and also other compatible cargoes (like bauxite) of 0.7 to 1 MMT of group company cargoes are expected to be handled at VGCB.

5. Material changes and commitments, if any, affecting the financial position of the Company

No other material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

6. Significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

There were no significant material orders passed by any Regulators / Courts /Tribunals which would impact the going concern status of the Company and its future operations.

7. Safety

The safety performance for the Financial Year 2022-2023 is as under:

2022-23	
FSI	0
LTIFR	0

FSI - Frequency severity incidence

LTIFR - Lost Time Injury Frequency Rate

8. Internal Control Systems and their Adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Auditors monitors and evaluates the

efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

9. Highlights of performance of Subsidiary Companies, Joint Ventures or Associate Companies and their contribution to the overall performance of the Company

The Company does not have any subsidiary, or Joint Venture, or any Associate Company. Further during the year, neither any company became nor ceased to become subsidiary, joint venture, or associate of the Company.

10. Deposits

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

11. Auditors

Statutory Auditors

The Company's Auditors, M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, were appointed by the shareholders at the Annual General Meeting held on August 04, 2021, for further period of 5 consecutive years upto the conclusion of Nineteenth Annual General Meeting to be held in the year 2026.

The report of the Statutory Auditors along with Notes to Schedules are enclosed to this Report. Further the Statutory Auditor's Report for the Financial Year 2022-23 does not contain any qualification, reservation, adverse remarks, or observation.

During the year under review, the Auditors have not reported any fraud under Section 143 (12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed pursuant to Section 134(3)(ca) of the Companies Act, 2013.

Cost Auditors

Your Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the cost audit records in respect of its activity carried out by the Company are required to be audited. The Board of Directors has appointed Uppalapathi & Associates LLP, as the Cost Auditors of the Company to audit the cost accounts of the Company for the financial year ended March 31, 2023 at a remuneration of Rs. 85000/-.

The remuneration of the Cost Auditor has been approved by the Board of Directors and in terms of the provision of the Companies Act, 2013 read with Rules made thereunder, requisite resolution for ratification of remuneration of the Cost Auditor by the members has been set out in the Notice of 13th Annual General Meeting of the Company.

Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Board of Directors at their meeting held on July 18, 2022 appointed KPMG Assurance and Consulting Services LLP as Internal Auditor of the Company for the Financial Year 2022-23.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 the Board of Directors at their meeting held on April 18, 2022 appointed Vinod Kothari & Company as Secretarial Auditor of the Company for Financial year 2022-2023.

The Secretarial Audit Report for the Financial Year 2022-23, as provided by M/s Vinod Kothari & Company, Practising Company Secretaries is annexed to this Report as **Annexure A**

12.Share Capital

The authorised and paid-up Equity Share Capital of the Company as on 31st March, 2023 was Rs. 50,00,00,000/- (Rupees Fifty crores only) divided into 5,00,00,000 (Five crore) Equity shares of Rs 10/- each and Rs. 47,10,80,000/- (Rupees Forty-Seven Crores Ten Lakhs and Eighty Thousand only) divided into 4,71,08,000 (Four Crores Seventy One Lakhs and Eight Thousand) Equity Shares of Rs. 10/- each.

Further, the Company has not issued any shares with differential voting rights, granted stock options, sweat equity, bonus shares.

None of the Directors of the Company hold any equity shares or convertible instruments of the Company.

13.Web Address for Annual Return and Extract of Annual Return

The copy of Annual Return as required under Section 92(3) and Section 134(3)(a) of the Act has been placed on the website of the Company.

The web-link is as under:

<https://www.vgcb.co.in/>

14.Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Disclosure requirement of information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read

with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure B**.

15.Directors & Key Managerial Personnel

The Board of Directors & Key Managerial Personnel (KMP) of the Company as on 31st March, 2023 comprised of the following:

- a) Mr. Prasun Kumar Mukherjee – Non-Executive Independent Director
- b) Mr. Vijay Chhibber- Non-Executive Independent Director
- c) Mr. Anup Agarwal–Non-Executive Director
- d) Mr. Chikkala Sateesh Kumar –Wholtime Director (WTD) & Chief Executive Officer
- e) Mr. Vinay Chaurasia– Chief Financial Officer (KMP)
- f) Mr. Kamalakanta Sahoo - Company Secretary (KMP)

During the year under review, the Board approved change in designation of Mr. Chikkala Sateesh Kumar from Wholtime Director and Deputy Chief Executive Officer to Wholtime Director and Chief Executive Officer w.e.f. 18th April, 2022.

Further, Board of Directors at its meeting held on 29th September, 2022 approved the proposal for appointment of Mr. Chikkala Sateesh Kumar as an Additional designated as the Whole Time Director and Chief Executive Officer (KMP) of the Company w.e.f. October 01, 2022, at a remuneration of upto Rs. 81,31,165/- for a period of 1 year w.e.f. 1st October, 2022 till 30th September 2023.

The term of appointment of Mr. Prasun Kumar Mukherjee ended on 31st August, 2022, the Board of Directors, vide circular resolution passed on August 30, 2022 approved the re-appointment of Mr. Prasun Kumar Mukherjee (DIN: 00015999) as an

Additional Director in the capacity of Non-Executive Independent Director on the Board of the Company for the second and final term of 2 years from 01st September, 2022 till 31st August, 2024.

The circular resolution was taken note of by the Board at its meeting held on September 29, 2022.

The Board of Directors at their meeting held on 19th October, 2022 appointed Mr. Prasun Kumar Mukherjee, Non-Executive Independent Director as the Chairman of the Board of the Company.

The term of appointment of Mr. Vijay Chhibber ended on 31st August 2022, the Board of Directors at its meeting held on 19th October, 2022 approved the proposal of re-appointment of Mr. Vijay Chhibber (DIN: 00396838) as an Additional Director in the capacity of Non-Executive & Independent Director on the Board of the Company for second and final term of 1 year with effect from 19th October, 2022.

Mr. Sauvik Mazumder (DIN: 07558996), Director of the Company resigned w.e.f. closure of business hours on 23rd December, 2022.

The Board of Directors at their meeting held on January 17th, 2023 appointed Mr. Anup Agarwal (DIN: 08551388), as an Additional Director in the capacity of Non – Executive Director of the Company.

No other Directors or KMPs except mentioned above were appointed/ resigned from the Company during the FY 2022-23.

16. Independent Directors Declaration

The Company has received the necessary declaration from each of its Independent Directors in accordance with Section 149(7) of the Companies Act, 2013 stating that they

meet the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013.

17. Providing Vigil Mechanism

The Company has established a robust vigil mechanism for reporting genuine concerns through the Whistle Blower Policy of the Group. As per the whistleblower policy adopted by various businesses in the group, all complaints are reported to Group Head – Management Assurance who is independent of operating management and businesses. In line with global practices, dedicated email IDs and centralized database have been created to facilitate receipt of complaints. All employees and stakeholders can register their integrity related concerns either by calling on a toll free number or by writing on the web based portal that is managed by a third party. After the investigation, established cases are brought to the Group Ethics Committee for decision making. All cases reported as part of whistle blower mechanism are taken to their logical conclusion within a reasonable timeframe.

As part of the Code of Conduct, the Company has a Whistle blower Policy, where any instance of non-adherence to the Policy or any observed unethical behavior is to be brought to the attention of the Head of Management Assurance Services. During the year under review, there were no reports under the mechanism.

18. Corporate Social Responsibility (CSR) Committee

The provisions of Section 135 of the Companies Act, 2013 are not applicable on the Company and therefore the Company has not constituted a Corporate Social Responsibility Committee.

19. Meetings & Attendance during the Year

During the year under review five meetings of the Board of Directors were held, details of which are as under:

Date of Board Meetings held during FY 2022-23	
1.	April 18, 2022
2.	July 18, 2022
3.	September 29, 2022
4.	October 19, 2022
5.	January 17, 2023

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Attendance

Names of the Director	No. of meetings during the year 2022-23	
	Held	Attended
Mr. Chikkala Sateesh Kumar	5	5
Mr. Prasun Kumar Mukherjee	5	5
Mr. Sauvick Mazumder *	5	3
Mr. Vijay Chhibber	5	4
Mr. Anup Agarwal**	5	NA

*Resigned w.e.f 23rd December, 2023

**Appointed w.e.f 17th January, 2023

During the year under review two meetings of the Audit Committee were held, details of which are as under,

Date of Audit Committee Meetings held during FY 2022-23	
1.	April 18, 2022
2.	July 18, 2022

Attendance

Names of the Director	No. of meetings during the year 2022-23	
	Held	Attended
Prasun Kumar	2	2

Mukherjee		
Mr. Vijay Chhibber	2	2
Mr. Chikkala Sateesh Kumar	2	2

During the year under review, one meeting of the Nomination and Remuneration Committee was held, details of which are as under:

Date of Nomination and Remuneration Committee Meetings held during FY 2022-23	
1.	April 18, 2022

Attendance

Names of the Director	No. of meetings during the year 2022-23	
	Held	Attended
Prasun Kumar Mukherjee	1	1
Mr. Vijay Chhibber	1	1
Mr. Sauvick Mazumder	1	1

Being a wholly owned subsidiary of Vedanta Limited, the Company is not required to constitute Audit Committee and Nomination and Remuneration Committee. Therefore, for administrative convenience and effectiveness of the meetings, both of these committees were dissolved in the Board Meeting of Company dated September 29, 2022.

Section 149 read with Schedule IV of Companies Act, 2013 mandates that the Independent Directors of the Company shall hold at least one meeting in a financial year, without the presence of Non-Independent Directors and Members of the management and requires that all the Independent Directors of the Company shall strive to be present at such meeting. Your Company recognizes the crucial role that the Independent Directors play in ensuring an efficient and transparent work environment. Hence all the Independent Directors of the Company met once during the FY 2022-23 without the presence of any of

Non-Independent Directors and/or any of the members of the management.

20. Formal Annual Evaluation

The effectiveness of the Board is crucial to the overall success of the Company and the Company undertakes a formal assessment of the operation/ of the Board, Board Committees, and individual Directors annually. The evaluation is an important part of the Board's corporate governance framework. The Companies Act, 2013 (Act) has mandated the need to ensure effectiveness of the Board governance and requires a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors.

Structured questionnaires/ performance evaluation forms were prepared taking into consideration inputs received from the Directors for evaluation of the Board effectiveness which were broadly based on the parameters like Strategic and Operational Oversight, the Dynamics, Composition, Level of Expertise, Terms of Reference, Board support and processes, Governance etc. The Board evaluated the effectiveness of its functioning and that of the Committees and of Chief Executive Officer and of individual directors by seeking their inputs on various aspects of Board/Committee Governance.

The Board considered and discussed the inputs received from the Directors.

Further, the Independent Directors at their meeting, reviewed the performance of Board, and of other Non- Executive Directors.

21.Details relating to Remuneration of Directors/KMP's /Employees

Mr. Chikkala Sateesh Kumar, WTD & Chief Executive Officer drew remuneration upto Rs. 74,32,298/- (Rupees Seventy Four Lakhs

Thirty Two Thousand Two Hundred and Ninety Eight only) per annum subject to approval of shareholders and Mr. Vinay Chaurasia, Chief Financial Officer drew remuneration upto Rs. 49,35,414/- (Rupees Forty-Nine Lakh Thirty Five Thousand Four Hundred and Fourteen only) per annum.

Below are the details of the sitting fees being paid to the Independent Directors of the Company:

Sl. No.	Name of the meeting	Sitting fees in Rs. (per meeting)
1.	Board Meeting	50,000

The statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules'), is appended as **Annexure C** to the Report.

There are no employees drawing remuneration exceeding the limits as provided under Section 197 of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

None of the above employees is a relative of any of the Directors of the Company.

In terms of Section 197 (14) of the Companies Act, 2013, any director who is in receipt of any commission from the Company and who is a managing or whole-time director of the Company shall not be disqualified from receiving any remuneration or commission from any holding company or subsidiary company of such company subject to its disclosure by the company in the Board's report. Your Company has only one Whole-time Director

and he has not received any remuneration or commission from the Holding Company during the year.

In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

22.Particulars of Loans, Guarantees or Investments under Section 186

There were no loans or, guarantees granted or investments made by the Company under Section 186 of the Companies Act, 2013 during the financial year under review.

23. Particulars of Contracts or Arrangements with Related Parties

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

All Related Party Transactions were placed before the Board for approval.

The Particulars of Related Party Transactions entered into by the Company during the year are provided in Form AOC-2 enclosed herewith **Annexure D**.

24.Risk Management Policy

All the risks associated with the business are identified and allocated to respective designated owners to manage/control the risks and keep risk exposures within the acceptable limits.

Our risk management framework is designed to be simple, consistent and clear for

managing and reporting risks. Risk management is embedded in our critical business activities, functions and processes. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

Risk Management policy is designed/evaluated by Board of Directors through in alignment with the Vedanta Group's Risk Management Policy.

25.Shares

a. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

b. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

c. Bonus Shares

No Bonus Shares were issued during the year under review.

d. Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

26.Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

The following is a summary of sexual harassment complaints received and disposed off during the year 2022-2023:

- No of complaints received: 1
- No of complaints disposed off: 1

27. Compliance as per Secretarial Standards

The Company has complied with the requirements of the applicable Secretarial Standards *i.e.* Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2).

28. Director's Responsibility Statement

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

- a. that in the preparation of the annual accounts for the year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company

and for preventing and detecting fraud and other irregularities;

- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

29. Acknowledgements

The Directors would like to thank the employees and employee unions, shareholders, customers, suppliers, bankers, regulatory authorities and all the other business associates of the Company for their confidence and support to its Management. They would also like to thank the Central and State Governments for their support Vizag General Cargo Berth Private Limited recognizes and appreciates the cooperation and support from its holding company Vedanta Limited.

For and on behalf of the Board of Directors

Chikkala Sateesh Kumar
Whole-time Director & Chief Executive Officer
DIN: 08879426

Anup Agarwal
Director
DIN: 08551388

Place: Visakhapatnam
Date: 17th April, 2023

ANNEXURE 'A' TO BOARD'S REPORT

Form No. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
Vizag General Cargo Berth Private Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vizag General Cargo Berth Private Limited (hereinafter called "Company") for the financial year ended March 31, 2023 ["Audit Period"] in terms of the engagement letter dated April 18, 2022. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the Audit Period, according to the provisions of applicable law provided hereunder:

1. The Companies Act, 2013 ('Act') and the rules made thereunder including any re-enactment thereof;
2. Specific laws applicable to the industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:
 - a. Major Port Trusts Act, 1963;
 - b. The Dock Workers (Safety, Health and Welfare) Act 1986 and rules and regulations thereunder;
 - c. The Visakhapatnam Port Trust (Licensing of Stevedores and Allied Matters) Regulations, 1987;
 - d. Coastal Regulation Zone, 1991

We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings (SS-1) and for General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

We report that during the Audit Period, the Company has complied with the provisions of the Act, rules, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted and the changes in the composition of the Board of Directors that took place during the Audit Period, were carried out in compliance with the provisions of the Act and other applicable laws.

Adequate notice is given to all directors to schedule the Board Meetings and Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were unanimous and there was no instance of dissent in Board or Committee Meetings.

We further report that there are adequate systems and processes in the Company, which commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has not undertaken any specific event/ action that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, standards, etc except that the Company has taken a secured loan of INR 375 crores from the IndusInd Bank for the purpose of repayment of Inter Company loan from Vedanta Limited.

Place: New Delhi

Date: April 17, 2023

For M/s Vinod Kothari & Company

Practicing Company Secretaries

Unique Code: P1996WB042300

Nitu Poddar

Partner

Membership No.: A37398

CP No.:15113

UDIN: A037398E000112330

Peer Review Certificate No.: 781/2020

The report is to be read with our letter of even date which is annexed as **Annexure 'I'** and forms and integral part of this report

Annexure I

Auditor and Management Responsibility

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Vizag General Cargo Berth Private Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in **Annexure II**;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same;

4. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. Given the challenges and limitations posed by Covid-19, lockdown restrictions (wherever applicable), as well as considering the effectiveness of information technology tools in the audit processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance as issued by the Institute. We have conducted online verification & examination of records, as facilitated by the Company;
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns;
6. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc;
7. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis;
8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;
9. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company;
10. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Annexure II to Secretarial Audit Report

List of Documents

1. Minutes for the meetings of the following held during the Audit Period:
 - a. Board of Directors;
 - b. Audit Committee;
 - c. Nomination and Remuneration Committee;
 - d. Annual General Meeting;
2. Proof of circulation of draft and signed minutes of the Board and Committee meetings on a sample basis;
3. Annual Report for financial year 2021-22;
4. Financial Statements and Auditor's Report for financial year 2021-22
5. Directors' disclosures under the Act and rules made thereunder;
6. Statutory Registers maintained under the Act;
7. Forms filed with the Registrar;
8. Policies framed under the Act, 2013
9. Memorandum of Association and Articles of Association of the Company.

ANNEXURE 'B' TO BOARD'S REPORT
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE
EARNINGS AND OUTGO

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

(A) Conservation of energy-

BP Specific Power consumption: **2.01 kVAH/MT**

Achieved Specific Power consumption: **1.79 kVAH/MT**

Month	BP Specific Power	Achieved	Savings((kVAH/MT)	Savings (Rs. In Lakhs)
Apr-22	2.01	1.99	0.02	0.86
May-22	2.01	1.95	0.06	2.59
Jun-22	2.01	1.58	0.43	17.03
Jul-22	2.01	1.65	0.36	16.11
Aug-22	2.01	1.62	0.39	18.28
Sep-22	2.01	1.68	0.33	13.47
Oct-22	2.01	1.99	0.02	0.65
Dec-22	2.01	1.71	0.30	11.56
Jan-23	2.01	1.77	0.24	9.36
Feb-23	2.01	1.95	0.06	1.80
Mar-23	2.01	1.69	0.32	12.47
			Total	104.18

(i) The steps taken or impact on conservation of energy:

1. Operating single stream with high TPH (3200) to discharge maximum cargo.
2. Regular cleaning of return side of conveyors to reduce the operating Load currents (3 Amps).
3. Operating Double stacker mode & maximizing ops during chute jamming's. (Constant discharge)
4. Divertor gate installation in TT-2 area & routing cargo through single streams. (Minimizing 3 HT Motors)
5. Replacement of chute designs in TT2 & TT5 for smooth cargo flow & avoid jamming's. (Reduced chute jamming's)
6. Replacement of damaged belts to reduce the spillages & maximizing throughput.
7. Replacement of conventional lights in Stockyard with LED lamps

(ii) the steps taken by the company for utilizing alternate sources of energy.

- Sourcing Power through IEX for reduced Power cost. Annual saving of Rs.20 Lakhs

(iii) the capital investment on energy conservation equipments; -None

(B) Technology absorption:

(i) the efforts made towards technology absorption; -

- (a) Modification in Chutes and liners for handling of Multicargo
- (b) In motion weigh bridges in both Line-10 & Line-11 for reliable weighment
- (c) Automation of visual/audible sirens while reversal of rake
- (d) Upgradation of Silo surge hopper for reliable wagon loading system
- (e) Installation of expansion joint in jetty for asset integrity
- (f) Automation of Storage Charges

(ii) the benefits derived like Safety, Reliability, Cost reduction, Customer satisfaction, Volume, the benefits from Storage Automation are auto calculation, minimal errors, automatic invoice and auto report sharing, availability of TAMP storage charges.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- None

- (a) the details of technology imported;
- (b) the year of import;
- (c) whether the technology been fully absorbed;
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(iv) the expenditure incurred on Research and Development – None

(C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows. – NIL

Details of Foreign exchange outgo:

For and on behalf of the Board of Directors

Chikkala Sateesh Kumar
Whole-time Director & Chief Executive Officer
DIN: 08879426

Anup Agarwal
Director
DIN: 08551388

Place: Visakhapatnam

Date: 17th April, 2023

ANNEXURE 'C' TO BOARD'S REPORT

Disclosure in Board's report as per provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2017

Sr. No.	Requirement	Disclosure
1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	NIL
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any, in the financial year	
A	The percentage increase in remuneration of each director	NIL
B	The percentage increase in remuneration of CFO	NIL
C	The percentage increase in remuneration of CEO	NIL
D	The percentage increase in remuneration of CS	NIL
3	The percentage increase in the median remuneration of employees in the financial year	NIL
4	The number of permanent employees on the rolls of company	28
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	NIL
6	Affirmation that the remuneration is as per the remuneration policy of the company	Yes

For and on behalf of the Board of Directors

Chikkala Sateesh Kumar
Whole-time Director & Chief Executive Officer
DIN: 08879426

Anup Agarwal
Director
DIN: 08551388

Place: Visakhapatnam
Date: 17th April, 2023

ANNEXURE 'D' TO BOARD'S REPORT
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

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

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

Amt in Cr.

SL. No.	Particulars	Details				
	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1	Vedanta limited (Holding Company)	Cargo Handling services	12 months contract	Cargo handling services (Rs. 11.07 Crs)	Landscape approved	NIL
2	BALCO	Cargo Handling services	12 months contract	Cargo handling services (Rs. 5.36 Crs)	Landscape approved	NIL
2	ESL	Cargo Handling	SPOT contract	Cargo handling services (Rs.	Landscape approved	NIL

		services		1.76 Crs)		
3	MVPL	Cargo Handling services	12 months contract	Cargo handling services (Rs. 14.70 Crs)	Landscape approved	NIL

For and on behalf of the Board of Directors

Chikkala Sateesh Kumar
Whole-time Director & Chief Executive Officer
DIN: 08879426

Anup Agarwal
Director
DIN: 08551388

Place: Visakhapatnam
Date: 17th April, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Vizag General Cargo Berth Private Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Vizag General Cargo Berth Private Company Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity 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, as amended ("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 March 31, 2023, its loss including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, 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 audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial

position, financial performance including other comprehensive income, cash flows and changes in equity 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" 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 purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 to the financial statements;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Sd/-

per Ajay Bansal

Partner

Membership Number: 502243

UDIN: 23502243BGTIUQ3784

Place of Signature: Gurugram

Date: April 17, 2023

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Re: Vizag General Cargo Berth Private Limited (‘the Company’)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such physical verification.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the port services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows

Name of the Statute	Nature of the dues	Amount (in Rs.) *	Period to which amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	29,30,463	2012 and 2013-14	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	4,70,74,941	2011-12 and 2014-15	Customs, Excise and Service Tax Appellate Tribunal
Income tax Act, 1961	VAT/WCT	40,38,449	2011-12 and 2014-15	Commercial Tax Department

CGST Act, 2017	Input Credit	17,02,634	2017-2018	Additional Commissioner Guntur, GST Department.
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*excluding interest and penalty

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditors /secretarial auditors /us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

- (c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) 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 notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current year and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 33 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by Rs. 406.78 Crore, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe that Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date. We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Sd/-

per Ajay Bansal

Partner

Membership Number: 502243

UDIN: 23502243BGTIUQ3784

Place of Signature: Gurugram

Date: April 17, 2023

Annexure 2 referred to in paragraph 2(f) under the heading “Report on Other legal and Regulatory Requirements” of our Report of even date

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

We have audited the internal financial controls with reference to financial statements of Vizag General Cargo Berth Private Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Committee of Sponsoring Organisations of the Treadway Commission (2013 Framework) (“COSO 2013 Criteria”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in COSO 2013 criteria.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Sd/-

per Ajay Bansal

Partner

Membership Number: 502243

UDIN: 23502243BGTIUQ3784

Place of Signature: Gurugram

Date: April 17, 2023

VIZAG GENERAL CARGO BERTH PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Notes	As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	4A	1.37	1.53
(b) Capital Work in progress	4C	4.43	0.44
(c) Intangible assets	4B	443.85	463.17
(d) Financial assets			
(i) Trade Receivables	5	-	-
(ii) Others financial assets	6	3.19	3.20
(e) Deferred tax assets (net)		52.92	
(f) Other non-current assets	11	0.64	0.05
(g) Income tax assets (net of provisions)		2.72	4.54
Total non current assets		509.12	472.93
2 Current assets			
(a) Inventories	7	3.42	1.92
(b) Financial assets			
(i) Investments	8	2.75	26.95
(ii) Trade receivables	9	10.30	8.75
(iii) Cash and cash equivalents	10	9.97	0.55
(iv) Other Bank Balances		2.07	2.00
(v) Other financial assets	6	0.87	0.62
(c) Other current assets	11	3.20	5.96
(d) Income tax assets (net of provisions)		0.01	0.01
Total current assets		32.59	46.76
Total assets		541.71	519.69
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	12	47.11	47.11
(b) Other equity		(27.33)	(58.64)
Total equity		19.78	(11.53)
2 LIABILITIES			
Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	13	59.25	352.50
(ii) Others financial liabilities	16	-	-
(b) Deferred tax liabilities (Net)	30		5.42
(c) Other non-current liabilities	14	23.03	24.43
(d) Provisions	17	0.28	0.37
Total non current liabilities		82.56	382.72
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13A	352.50	70.50
(ii) Trade payables			
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	15	1.24	1.41
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		66.39	44.98
(iii) Other financial liabilities	16	13.34	22.25
(b) Other current liabilities	14	5.74	9.25
(c) Provisions	17	0.16	0.11
Total current liabilities		439.37	148.50
Total liabilities		521.94	531.22
Total equity and liabilities		541.71	519.69

See accompanying notes to the financial statements

As per our report of even date

For S.R Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

For and on behalf of Board of Directors

per Ajay Bansal

Partner

Membership No.: 502243

Chikkala Sateesh Kumar

Director

DIN : 08879426

Anup Agarwal

Director

DIN : 08551388

Vinay Chaurasia

Chief Financial Officer

Kamala Kantha Sahoo

Company Secretary

ICSI Membership No: ACS64857

Place: Gurgaon

Date : April 17, 2023

Place: Vizag

Date : April 17, 2023

VIZAG GENERAL CARGO BERTH PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Notes	As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
I Income			
(a) Revenue from operations	18	175.50	161.69
(b) Other Operating income	18	0.31	0.27
(c) Other income	19	3.53	2.40
Total income		179.34	164.36
II Expenses			
(a) Employee benefits expense	20	2.97	5.05
(b) Royalty		64.82	62.36
(c) Finance costs	21	33.10	44.74
(d) Depreciation and amortization expense	4A & 4B	25.72	25.55
(e) Other expenses	22	79.75	50.92
Total expenses		206.36	188.63
III Loss before tax		(27.02)	(24.27)
IV Tax expense/(Benefit)	29		
(a) Current tax		(58.34)	(0.96)
(b) Deferred tax		(58.34)	(0.96)
V Profit/ (Loss) after tax		31.32	(23.31)
VI Other comprehensive Income /(Loss)			
Items that will not be reclassified to profit or loss			
- Re-measurement on defined benefit obligations		(0.01)	0.19
VII Total comprehensive Income /(Loss) for the year		31.31	(23.12)
VIII Earnings/ (Loss) per equity share			
(a) Basic -Face value 10 /-	24	6.65	(4.95)
(b) Diluted -Face value 10 /-	24	6.65	(4.95)

See accompanying notes to the financial statements

As per our report of even date

For S.R Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

For and on behalf of Board of Directors

per Ajay Bansal

Partner

Membership No.: 502243

Chikkala Sateesh Kumar

Director

DIN : 08879426

Anup Agarwal

Director

DIN : 08551388

Vinay Chaurasia

Chief Financial Officer

Kamala Kantha Sahoo

Company Secretary

ICSI Membership No: ACS64857

Place: Gurgaon

Date : April 17, 2023

Place: Vizag

Date : April 17, 2023

VIZAG GENERAL CARGO BERTH PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
A. Cash flows from operating activities		
Net (Loss) before tax	(27.02)	(24.27)
Adjustments for :		
Depreciation and amortisation expense	25.72	25.55
Interest expense	33.10	44.74
Interest income	(0.31)	0.01
Realised and Unrealised gain on financial assets held for trading	(0.23)	(0.24)
Loss on sale of Property, Plant and Equipment	0.35	-
Mark to Market Gain on Investment		
Deferred government grant	(1.40)	(1.40)
Non Moving Inventory provision/(reversal)		-
Gain on foreign currency transactions and translation		
Provision for bad and doubtful debts		1.46
Loss on sale of Property, Plant and Equipment	-	-
Net unrealised exchange (gain) / loss		
Operating Profits before working capital changes	30.22	45.85
Adjusted for Changes in working capital :		
Working capital adjustments		
(Increase)/Decrease in inventories	(1.50)	0.30
(Increase)/Decrease in trade receivables and loans	(1.54)	(6.12)
(Increase)/Decrease in other financial and non financial assets	2.51	4.55
Increase/(Decrease) in trade payable	21.25	16.50
Increase/(Decrease) in other liabilities and provisions	(4.12)	4.32
Increase in provisions		
(Decrease) in other current liabilities		-
Cash flow generated from operations	46.83	65.40
Income tax (paid)/refund (net)	1.82	2.02
Net cash flow generated from operations (A)	48.65	67.42
B. Cash flows from investing activities		
Purchase of property, plant and equipment including intangibles	(11.18)	(1.54)
Proceeds from sale of property, plant and equipment including intangibles		
Purchases of short term investments	(53.60)	(126.45)
Proceeds from sale of short term investments	78.03	109.61
Bank Deposit made	(0.07)	(2.00)
Interest received	0.31	(0.01)
Net cash generated/(used in) investing activities (B)	13.47	(20.39)
C. Cash flows from financing activities		
Proceeds from term loans		-
Repayment of term loans	(22.50)	-
Proceeds from non-convertible debentures		-
Repayment of non-convertible debentures		-
Loan from related party		-
Repayment of loan from related parties		-
Re payment of Non Convertible Debenture (refer note 13)	-	-
Repayment of Inter company loan	-	(406.50)
Proceeds from Inter company loan (refer note 13A)	11.25	29.50
Proceeds of loan from Bank	-	375.00
Interest and finance charges paid	(41.44)	(46.33)
Repayment of other long-term borrowings		
Rollover charges paid on BC		
Movement Balance sheet		
Net cash (used in) financing activities (C)	(52.69)	(48.33)
Net increase/(Decrease) in cash and cash equivalent (A+B+C)	9.42	(1.30)
Cash and cash equivalents at beginning of the year (Refer note-10)	0.55	1.85
Cash and cash equivalents at the end of the year (Refer note -10)	9.97	0.55

Notes:

- The figure in bracket indicates outflow.
- The above cash flow has been prepared under the "indirect method" as set out in Indian Accounting Standard (Ind As) 7 - Statement of Cash Flows.

See accompanying notes to the financial statements.

As per our report of even date

For S.R Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

For and on behalf of the Board of Directors

per Ajay Bansal

Partner

Membership No.: 502243

Chikkala Sateesh Kumar

Director

DIN : 08879426

Anup Agarwal

Director

DIN : 08551388

Vinay Chaurasia

Chief Financial Officer

Kamala Kantha Sahoo

Company Secretary
ICSI Membership No:
ACS64857

Place: Gurgaon

Date : April 17, 2023

Place: Vizag

Date : April 17, 2023

VIZAG GENERAL CARGO BERTH PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(a) Equity Share Capital

Particulars	Number of shares	INR Crores
As at March 31, 2022	4,71,08,000	47.11
As at March 31, 2023	4,71,08,000	47.11

Note:-There has been no movement in the equity share capital for the year ended Mar 31, 2023.

(b) Other Equity

Particulars	Equity component of compound financial instrument - See Note 13(ii)	Share Premium Account	Retained earnings	Total equity
Balance as at March 31, 2021	0.00	135.00	(170.52)	(35.52)
Retained earnings				-
Reduction in Deemed equity to converted equity shares				-
Loss for the year			(23.31)	(23.31)
Equity share premium				-
Other comprehensive loss	-	-	0.19	0.19
Balance as at March 31, 2022	0.00	135.00	(193.64)	(58.64)
Retained earnings				-
Reduction in Deemed equity to converted equity shares				-
Profit/(Loss) for the year			31.32	31.32
Equity share premium				-
Other comprehensive loss			(0.01)	(0.01)
Balance as at Mar 31, 2023	0.00	135.00	(162.33)	(27.33)

See accompanying notes to the financial statements

As per our report of even date

For S.R Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

For and on behalf of Board of Directors

per Ajay Bansal

Partner

Membership No.: 502243

Chikkala Sateesh Kumar

Director

DIN : 08879426

Anup Agarwal

Director

DIN : 08551388

Vinay Chaurasia

Chief Financial Officer

Kamala Kantha Sahoo

Company Secretary

ICSI Membership No: ACS64857

Place: Gurgaon

Date : April 17, 2023

Place: Vizag

Date : April 17, 2023

VIZAG GENERAL CARGO BERTH PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

4A PROPERTY, PLANT AND EQUIPMENT

(INR Crores)

Particulars	Land - freehold	Furniture and fixtures	Office equipment	Total
GROSS BLOCK				
AT 31 MARCH 2021	0.07	1.00	3.92	4.99
Additions	-	-	0.64	0.35
Deletions	-	-	-	-
AT 31 March 2022	0.07	1.00	4.56	5.63
Additions	-	-	0.43	0.43
Deletions	-	-	-	-
AT 31 Mar 2023	0.07	1.00	4.99	6.06
ACCUMULATED DEPRECIATION				
AT 31 MARCH 2021	-	0.81	2.81	3.63
Depreciation for the year	-	0.08	0.39	0.47
Depreciation on Deletions	-	-	-	-
AT 31 March 2022	-	0.89	3.20	4.10
Depreciation for the year	-	0.07	0.52	0.59
Depreciation on Deletions	-	-	-	-
AT 31 Mar 2023	-	0.97	3.72	4.69
NET BOOK VALUE				
AT 31 March 2022	0.07	0.10	1.35	1.53
AT 31 Mar 2023	0.07	0.03	1.27	1.37

4B Intangible Assets

(INR Crores)

Particulars	Port Concession Rights (Refer note 32)	Computer Software	Total
GROSS BLOCK			
AT 31 MARCH 2021	682.51	0.59	683.10
Additions	0.66	-	0.66
Deletions	-	-	-
AT 31 March 2022	683.17	0.59	683.76
Additions	6.15	-	6.15
Deletions	0.52	-	0.52
AT 31 Mar 2023	688.80	0.59	689.40
ACCUMULATED DEPRECIATION			
AT 31 MARCH 2021	194.93	0.59	195.51
Depreciation for the year	25.07	0.00	25.08
Depreciation on Deletions	-	-	-
AT 31 March 2022	220.00	0.59	220.59
Depreciation for the year	25.13	0.00	25.13
Depreciation on Deletions	0.16	-	0.16
AT 31 Mar 2023	244.96	0.59	245.55
NET BOOK VALUE			
AT 31 March 2022	463.16	0.00	463.17
AT 31 Mar 2023	443.84	(0.00)	443.85

4C CWIP ageing schedule for projects in progress as at Mar 31, 2023

Particulars	As at Mar 31, 2023	As at March 31, 2022
Less than 1 year	4.43	0.44
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	4.43	0.44

5 Non Current financial assets

Unsecured, considered good
Trade receivable

Unsecured, considered Doubtful
Trade receivable- Credit Impaired
Less: Provision for doubtful Trade Receivables

As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
-	-
0.09 (0.09)	0.09 (0.09)
-	-

6 Other financial assets

Non current

(Unsecured, considered good)
Security deposits

As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
3.19	3.20
3.19	3.20

Current

(Unsecured, considered good)
(a) Security Deposits
(b) Recoverable from Related Parties (refer Note 28)
(c) Interest accrued on deposits measured at amortised cost
(d) Contract Assets

0.16	0.16
-	-
0.06	0.14
0.66	0.32
0.87	0.62

7 Inventories

Stores and spares (Refer note)
(For method of valuation of inventories refer note-3(f))
Note:- The company recognised Non moving items as at March 31, 2023 of Rs.0.14 Crores (March 31, 2022 of Rs.0.25 Crores)

As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
3.42	1.92

8 Current Investments

Investments in mutual funds carried at Fair value through P&L

Aggregate amount of quoted Investment in Mutual fund
Aggregate amount of unquoted Investment in Mutual fund

As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
2.75	26.95
-	-
2.75	26.95

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9 Trade receivables

Unsecured, considered good (Refer Notes below)
Provision for doubtful Trade Receivables

As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
11.95	10.41
(1.66)	(1.66)
10.30	8.75

Particulars

Secured, Disputed

Unbilled
Not due
Less than 6 months
6 months 1 year
1-2 Years
2-3 years
More than 3 years

Sub Total

Secured, Unisputed

Unbilled
Not due
Less than 6 months
6 months 1 year
1-2 Years
2-3 years
More than 3 years

Sub Total

Unsecured, Disputed

Unbilled
Not due
Less than 6 months
6 months 1 year
1-2 Years
2-3 years
More than 3 years

Sub Total

Unsecured, Undisputed

Unbilled
Not due
Less than 6 months
6 months 1 year
1-2 Years
2-3 years
More than 3 years

Sub Total

Less: Provision for expected credit loss

Total

As at Mar 31, 2023	As at March 31, 2021
-----------------------	-------------------------

[illegible]

Notes:

- (i) Trade receivables from a related party**
(Refer note 28)

2.43

2.02

- ii) The total contract assets as at March 31, 2023; March 31, 2022 and March 31, 2021 were Rs. 0.66 Crores Rs. 0.32 Crores, , and Rs. 1.38 crores respectively.

10 Cash and cash equivalents

Balances with banks in current accounts

As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
9.97	0.55
9.97	0.55

11 Other Assets

(unsecured, considered good)

Non Current

- (a) Balance with government authorities
(b) Capital Advances

As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
---------------------------------------	---

-	-
0.64	0.05
0.64	0.05

Current

- (a) Advance to suppliers
(b) Prepaid expenses
(c) Balance with government authorities
(d) Export Incentive receivable (Refer below note)

0.47	1.77
2.17	4.12
0.56	(0.00)
-	0.06
3.20	5.96

13 Non current borrowings

Secured (measured at amortised cost)

(a) Loan from IndusInd Bank (see note (i) below)

- 375.00

Unsecured (measured at amortised cost)

(a) Liability component of compound financial instruments

Financial liabilities - Borrowings

(b) Loan from Related Parties

- 375.00

Less: Current maturities of long term borrowings

(22.50)

(Refer note 13(A))

Total non-current financial liabilities - Borrowings (Net)

59.25 352.50

Current financial liabilities - Borrowings (B) (Refer note 16)

Total Borrowings (A+B)

Total secured borrowings

59.25 375.00

Total unsecured borrowings

- -

Movement in borrowings during the year is provided below.

Particulars	Borrowings Due with in one year	Borrowings Due after one year	Total
As at April 1, 2021	425.00	-	425.00
Cash flow	-	-	-
Proceeds from Inter company loan-MVPL	29.50		29.50
Proceeds from Loan from IndusInd Bank	22.50	352.50	375.00
Repayment of Inter company loan from Vedanta Limited	(406.50)		(406.50)
As at March 31, 2022	70.50	352.50	423.00
Repayment of IndusInd Loan	(22.50)		(22.50)
Regrouping of Indusind loan from Non current to Current	352.50	(352.50)	-
Regrouping of Inter Company Loan - MVPL & Vedanta Limited from Current to Non Current	(48.00)	48.00	-
Proceeds from Inter company loan-MVPL		11.25	11.25
As at Mar 31, 2023	352.50	59.25	411.75

Other non cash changes comprises of amortization of borrowing cost and reclassification between borrowings due with in one year and borrowings due after one year.

Notes:

- (i) The company has obtained a term loan from IndusInd bank on March 25, 2022 for an amount of Rs. 375 cr at the rate of 6.38%(364 T bill rate plus spread) for the period of 8 years for the purpose of repayment of Intercompany loan from Vedanta Limited. The loan will be repaid in 32 structured quarterly installments with first repayment commencing from end of 3 months of date of first disbursement. 1%(applicable for 15 months) of the facility amount is payable as upfront . The Bank shall have the right to put the entire facility outstanding on the borrower and the Corporate Guarantor and demand prepayment of the entire facility outstanding, at any time after the end of 15 months from the date of first disbursement.The Facility is secured by
- 1) First pari-passu charge on the movable fixed and current assets(except for concession assets) of the Borrower and
 - 2) Negative lein over all Concessions movable and/or immovable property, plant and equipment & Port Concession Rights(intangible asstes) of the Borrower.

(this space has been intentionally left blank)

13A Current financial liabilities - Borrowings

Unsecured

(a) Loan from related party-(Refer note 28 and below note)

As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
-	48.00
352.50	22.50
352.50	70.50

Secured

(b) Loan from IndusInd Bank(Refer note (ii) below)
Total

- Not** 1.The company has taken Inter Corporate loan from its fellow subsidiary Maritime Ventures Private Limited amounting to Rs. 50 Crores (Interest rate of 8.05% p.a) for the period of one year in August 2021 out of which Rs. 40.75 crore has been disbursed by the lender. Out of inter corporate loan of Rs. 425 crore obtained from Vedanta Limited at a rate of 10.5% p.a, Rs. 18.5 crore is outstanding as on 31-03-2023. Interest shall be due and payable at the end of 12 months from the date of receiving of the loan amount.The tenure of the above loans is extended to 8 years in line with Indusind Loan.
2. From the proceeds of loan obtained from IndusInd Bank, 12% of principal(44.10 cr) is repayable in next one year(Refer note no (iii) to Note 13 above).
3. Terms of repayment of total borrowings outstanding as at 31st March 2023 are provided below:

Borrowings	Weighted average interest rate as at 31st March 2023	<1 year	1-3 years	3-5 years	>5 years	Total
Rupee Term Loan - IndusInd Bank*	7.36%	352.50				352.50
Loan from Related Party - Vedanta Limited	7.68%		-	-	18.50	18.50
Loan from Related Party - Maritime Ventures Private Limited	7.60%		-	-	40.75	40.75

Terms of repayment of total borrowings outstanding as at 31st March 2022 are provided below:

Borrowings	Weighted average interest rate as at 31st March 2022	<1 year	1-3 years	3-5 years	>5 years	Total
Rupee Term Loan - IndusInd Bank*	6.38%	22.50	89.10	105.00	158.40	375.00
Loan from Related Party - Vedanta Limited	10.50%	18.50	-	-	-	18.50
Loan from Related Party - Maritime Ventures Private	8.05%	29.50	-	-	-	29.50

*The Bank shall have the right to put the entire facility outstanding on the borrower and Corporate Guarantor and demand the repayment of the entire facility outstanding, at any time after the end of 15 months from the date of first disbursement and payment is required to be made within 60 days of exercise of such Put Option.

4. The loan facilities are subject to certain financial and non- financial covenants. The primary covenants which must be complied with include ratio of total Outside Liabilities to total Net worth. The Company is required to report on such covenants on annual basis which will be applicable for company from next financial year.

14 Other liabilities

Non Current

(a) Deferred government grant [refer note (ii) below]

Current

(a) Statutory liabilities
(b) Advance from customers [refer note (i) below]
(c) Deferred government grant [refer note (ii) below]
(d) Others

As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
23.03	24.43
0.83	2.18
2.98	5.38
1.40	1.40
0.53	0.29
5.74	9.25

Notes-

- (i) Advance from customers are contract liabilities. The opening balance as at the start of the year was Rs.5.38 Crores. The advance payment will be settled by providing port operation services as per terms of respective agreement. As these are contracts that the company expects and has ability, to fulfill through delivery of non financial items, these are recognised as advance from customers and will be released to statement of profit and loss account as respective service delivered under the agreement.The portion of the advance that is expected to be settled within the next 12 months has been classified as a current liability.
- (ii) The Company has acquired certain plant and machinery on a concessional rate of duty as against which it has undertaken to make exports. The government grant is released to the statement of profit and loss on a systematic basis over a period of time.

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15 Current financial liabilities-Trade payables

- i) (a) Total Outstanding dues of Micro Enterprises and Small Enterprises(refer note 1 below)
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises
ii) Trade payables to related parties (refer note - 28)

As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
1.24	1.41
66.39	39.40
	5.58
67.63	46.39

Trade payables are non-interest bearing and are normally settled in 30 days terms.

Note-1 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars

Undisputed Dues - MSME

- Unbilled
Not due
Less than 1 year
1-2 Years
2-3 years
More than 3 years

Undisputed Dues - Others

- Unbilled
Not due
Less than 1 year
1-2 Years
2-3 years
More than 3 years

Disputed Dues - MSME

- Unbilled
Not due
Less than 1 year
1-2 Years
2-3 years
More than 3 years

Disputed Dues - Others

- Unbilled
Not due
Less than 1 year
1-2 Years
2-3 years
More than 3 years

As at March 31, 2023	As at March 31, 2022
	-
	-
1.24	1.41
	-
	-
	-
42.31	24.57
-	-
17.84	17.71
3.55	2.70
2.69	-
0.01	-
0	-
0	-
0	-
0	-
0	-
0	-
0	-
0	-
0	-
0	-
0	-
67.63	46.39

As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
---------------------------------------	---

- (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day
(iv)The amount of interest due and payable for the year
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid

1.24	1.41
-	-
-	-
-	-
-	-
-	-

Note:-

1. As per Clause 9.1 of Concession Agreement:

The Concessionaire shall, as consideration for the use, in its capacity as a bare licensee of the Project Site and the equipment comprised in the Port's Assets, made available in accordance with Article 2.4, pay to the Concessioning Authority the sum of Rs. 24.16 million (Rupees twenty-four decimal one six million only) as specified in the bid documents (the "License Fee") for the extent of land measuring 1,29,930 Sq.m. comprising of 1,22,330 Sq.m. for the development of stack yard (including handling facilities) in the Eastern Yard, 6,600 Sq.m. for conveyor corridor and 1,000 Sq.m. for office & operational buildings with an **escalation of 2% per annum**

2.TAMP had revised the land SOR in 2016 for quinquennium 2013-18. VPT had retrospectively revised the land rental bills from 2013 and issued the differential bills to the tune of Rs.18.17 Crs.

3.After series of rounds of discussions, Expert panel had given opinion in Dec'18 that "time to time SOR revision by TAMP" should not be made applicable and only 2% escalation should be applicable to VGCB for land rent.

4. Ministry vide their MOS Circular PD-13017/2/2014 – PD IV dated 05.11.2019 clarified that "upfront tariff for land rent for a PPP project is fixed based on SOR prevailing at the time of entering into concession agreement with annual escalation and periodic revision is not considered." Then, Ministry gave a clarification vide their circular PD-13017/2/2014 – PD IV/V dated 27.10.2020 that the circular dated 05.11.2019 to be implemented prospectively.

5. So, VPA has again issued the demand letter for Rs.18.17 Cr through its letter dated 16.03.2023.

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16 Other financial liabilities

	As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
Non Current		
	-	-
Current		
(a) Interest accrued but not due on borrowings	11.01	19.36
(b) Security deposit from vendors	2.30	1.75
(c) Liability for Unpaid Wages	0.03	1.14
(d) Others	(0.00)	-
	13.34	22.25

17 Provisions

	As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
Non Current		
(a) Provision for employee benefits (net) - Provision for gratuity (refer note 27)	0.28	0.37
Current		
(a) Provision for employee benefits (net) - Provision for compensated absences	0.16	0.11

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VIZAG GENERAL CARGO BERTH PRIVATE LIMITED
Notes forming part of the financial statements as at and for the year ended March 31, 2023

12 Share capital

	As at Mar 31, 2023		As at March 31, 2022	
	Number of shares	Amount in Crores	Number of shares	Amount in Crores
Authorised				
Equity shares of Rs. 10 each with voting rights	5,00,00,000	50.00	5,00,00,000	50.00
Issued, subscribed and fully paid up				
Equity shares of Rs.10 each with voting rights	4,71,08,000	47.11	4,71,08,000	47.11
	4,71,08,000.00	47.11	4,71,08,000.00	47.11

(i) There has been no movement in the equity share capital for the year ended Mar 31, 2023.

(ii) Details of shares held by the holding Company (including nominee) :

Particulars	As at Mar 31, 2023		As at March 31, 2022	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Vedanta Limited, holding Company	4,71,08,000	100%	4,71,08,000	100%

(iii) Details of shares held by each shareholder holding more than 5% shares :

Name of Shareholder	As at Mar 31, 2023		As at March 31, 2022	
	Number of shares held	% of Holding	Number of shares held	% of Holding
(a) Vedanta Limited (including nominee)	4,71,08,000	100%	4,71,08,000	100%

(iv) Disclosure of Shareholding of Promoters and Promoter Group

Promoter Name	As at Mar 31, 2023			As at March 31, 2022		
	Number of Shares held (in Crore)	% of holding	% Change during the year	Number of Shares held (in Crore)	% of holding	% Change during the year
Vedanta Limited	4.71	100%	-	4.71	100%	-

(v) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share and dividend as and when declared by the company. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is paid as and when declared by Board of Directors. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

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VIZAG GENERAL CARGO BERTH PRIVATE LIMITED
Notes forming part of the financial statements as at and for the year ended March 31, 2023

18 Revenue from operations

	As at Mar 31, 2023	As at March 31, 2022
	(INR Crores)	(INR Crores)
(a) Revenue from contract with customers (Sale of services)		
- Income from port operations	175.50	161.69
(b) Other operating revenues		
- Scrap sales	0.31	0.27
	175.82	161.96

Revenue from Port operations are recorded over a period of time. Out of Rs.4.02 crore for which contract liabilities existed at the beginning of the year, Rs. 1.89 crores has been recognised as revenue during the current year. The Company has a single stream of revenue and hence there is no additional information required with respect to disaggregation of revenue.

19 Other income

	As at Mar 31, 2023	As at March 31, 2022
	(INR Crores)	(INR Crores)
(a) Net gain on redemption/sale/Fair value on financial assets carried at FVTPL	0.23	0.24
(b) Interest income from financial assets measured at amortised costs	0.31	(0.01)
(c) Liquidation damages	-	-
(d) Amortization of deferred revenue arising from government grant (refer note 14)	1.40	1.40
(e) Liabilities written off		
(f) Miscellaneous income	1.60	0.78
	3.53	2.40

20 Employee benefits expense

	As at Mar 31, 2023	As at March 31, 2022
	(INR Crores)	(INR Crores)
(a) Salaries and Wages	1.89	3.74
(b) Share based payment to employees (refer note 26)	0.56	0.06
(c) Contributions to provident and other funds (refer note 27)	0.52	0.50
(d) Staff welfare expenses	-	0.75
	2.97	5.05

21 Finance Cost

	As at Mar 31, 2023	As at March 31, 2022
	(INR Crores)	(INR Crores)
(a) Interest expense on financial liabilities at amortised cost (refer note 16)	31.95	44.44
- on loans from related party measured at amortised cost		
- on buyers credit measured at amortised cost		
- on debentures measured at amortised cost		
- on Term Loan measured at amortised cost		
- Others		
(b) Other borrowing costs (refer note 28)	1.15	0.26
- Bank Gurantee Charges		
- Corporate Gurantee Charges		
- Fees for Borrowing		
- Bank Charges		
- Forward Premium		
(c) Service cost on defined benefit plan	-	0.04
	33.10	44.74

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VIZAG GENERAL CARGO BERTH PRIVATE LIMITED
Notes forming part of the financial statements as at and for the year ended March 31, 2023

22 Other Expenses

	As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
(a) Consumption of stores and spare parts	8.41	3.27
(b) Repairs and maintenance	3.36	2.93
(c) Power and fuel	10.90	10.68
(d) Material handling expenses	12.28	8.51
(e) Demurrage charges	1.37	0.07
(f) Port operation and maintenance expenses	12.60	12.07
(g) License fees for land	22.28	4.32
(h) Legal and professional	2.31	1.97
(i) Payment to auditors (refer note-(a) below)	0.09	0.10
(j) Security expenses	1.67	0.79
(k) Insurance	1.27	0.77
(l) Travelling and conveyance	0.15	0.23
(m) Rates and taxes	-	0.00
(n) Directors sitting fees	0.25	0.33
(o) Provision for bad and doubtful debts	-	1.46
(p) SEIS written off	-	2.22
(q) Miscellaneous expenses	2.80	1.21
	79.75	50.92

Note:

(a) Payment to auditors

As Auditors

- Audit fee	0.05	0.05
- Limited review	0.03	0.03

In other capacity

- Other services (Certification services)	0.01	0.01
- Reimbursement of expenses	-	0.01

0.09	0.10
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- (b) The Company was not required to spend any amounts on Corporate Social Responsibility (CSR) activities. The total actual expenditure on CSR activities is also nil.

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23 Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans.

The funding requirements are met through a mixture of equity, internal fund generation, convertible and non convertible debt securities, and other short term and Long term borrowings. The company's policy is to use current and non current borrowings to meet anticipated funding requirement.

The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements.

Net debt are long term and short term debts as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

The following table summarizes the capital structure of the Company:

	(INR Crores)
	As at Mar 31, 2023
	As at March 31, 2022
Long-term borrowings (ICL)	59.25
Short-term borrowings (IndusInd)	352.50
Cash and cash equivalents (Note 10)	-
Current investments (Note 8)	-
Net debt (a)	411.75
Total Equity (b)	(27.33)
Net debt to equity ratio (c = a/b)	(15.07)

24 Earnings per share (EPS):

	Units	As at Mar 31, 2023	As at March 31, 2022
Basic earnings/(loss) per share (BEPS)			
a. Net Profit/ (loss) after tax attributable to equity shareholders for BEPS	INR Crores	31.32	(23.31)
b. Number of equity shares for BEPS	No. of shares	4,71,08,000	4,71,08,000
c. Basic earning/(loss) per share	Rupees	6.65	(4.95)
Diluted earnings/ (loss) per share (DEPS)			
a. Diluted earning/(loss) per share (Refer Notes below)	Rupees	6.65	(4.95)

Notes:

1	Net profit/ (loss) after tax attributable to equity shareholders for BEPS	INR Crores	31.32	(23.31)
	Add: Interest on compulsory convertible debentures	INR Crores	-	-
	Net profit/ (loss) after tax attributable to equity shareholders for DEPS	INR Crores	31.32	(23.31)
2	Number of equity shares for BEPS	No. of shares	4,71,08,000	4,71,08,000
	Add: Effect of compulsory convertible debentures	No. of shares	-	-
	Number of equity shares for DEPS	No. of shares	4,71,08,000	4,71,08,000

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VIZAG GENERAL CARGO BERTH PRIVATE LIMITED
Notes forming part of the financial statements as at and for the year ended March 31, 2023

25 Contingent liabilities, Commitments and others:

	As at Mar 31, 2023	As at March 31, 2022
	(INR Crores)	(INR Crores)
Contingent liability:		
i The Company has received an order from the commissioner of Central Excise Customs & Service tax dated March 20,2017 for payment of service tax liability on account of incorrect availment of service tax credit on impugned capital goods and taxability of Berth hire charges in the hands of the Company during year 2013-14. Management considers these demands as not tenable against the company and therefore no provision for tax contingencies has been considered necessary.	5.00	5.00
ii The company has received a Show Cause Notice (SCN) from Commercial Tax Officer (CTO), Gajuwaka on November 02, 2017 asking for explanation for TDS deducted on rates different from those prescribed in the notification dated September 14, 2011 on Works Contract payment made between period November 14, 2011 to March 31,2015. The company had deducted the TDS at different rates ranging from 2.80% to 3.37% as against the statutory rate of 3.50%, thus resulting in lower deduction of TDS of Rs. 0.54 Crores. As assessed by CTO the liability is reduced from Rs.0.54 Crores to Rs.0.40 Crores as per the revised demand notice by CTO dated 25th Nov 2020. Management has filed appeal with tribunal against the CTO demand notice and basis assessment of the internal legal counsel believes that probability of the liability devolving on the Company is low and accordingly no provision has been made in the financial statement in this regard. This disclosed amount includes Penalty amount of communication received in 2020-21.	0.49	0.49
iii The Company has received an order from the Assistant commissioner of Central tax dated August 30,2022 for payment of service tax liability on account of irregular availment of transitional credit under sec 140(5) of CGST act 2017 Management considers these demands as not tenable against the company and therefore no provision for tax contingencies has been considered necessary.	0.17	-

Other Commitments :

iii) Export Obligation :

The company had export obligation of USD 51.20 Million in financial year 2012-2013 on account of concessional rates of import duties paid on capital goods under the Export Promotion Capital Goods scheme enacted by the Government of India which is to be fulfilled over a period of 6 - 8 years from the date of purchase. In previous year, the Company has fulfilled export obligations and thus the Company has no pending export obligations as at March 31, 2023. The Company has given bonds of Rs. 38.03 Crores (March 31, 2021: Rs. 38.03 Crores) to custom authorities against these export obligations in previous years and the Company will apply for redemption of these bonds in next financial year.

iv) Capital Commitment :

The Company has Capital commitment amounting to Rs.6.83 Crores (March 31,2022 Rs.7.39 Crores) which are yet to be executed and hence not provided for.

26 Share based compensation plans

The Company offered equity based and cash based option plans to its employees, officers and directors through the Company's stock option plan introduced in 2016, Cairn India's stock option plan now administered by the Company pursuant to merger with the Company and Vedanta Resources Limited (earlier known as Vedanta Resources Plc) plans [Vedanta Resources Long-Term Incentive Plan ("LTIP"), Employee Share Ownership Plan ("ESOP"), Performance Share Plan ("PSP") and Deferred Share Bonus Plan ("DSBP")] collectively referred as 'VRL ESOP' scheme.

Currently, the Company introduced an Employee Stock Option Scheme 2016 ("ESOS"), which was approved by the Vedanta Limited shareholders to provide equity settled incentive to all employees of the Company including subsidiary companies. The ESOS scheme includes tenure based, business performance based, sustained individual performance based and market performance based stock options. The maximum value of options that can be awarded to members of the wider management group is calculated by reference to the grade average cost-to-company ("CTC") and individual grade of the employee. The performance conditions attached to the option is measured by comparing Company's performance in terms of Total Shareholder Return ("TSR") over the performance period with the performance of two group of comparator companies (i.e. Indian and global comparator companies) defined in the scheme. The extent to which an option vests will depend on the Company's TSR rank against a group or groups of peer companies at the end of the performance period and as moderated by the Remuneration Committee.

Options granted during the period ended March 31, 2023 includes business performance based, sustained individual performance based and market performance based stock options. Business performances will be measured using Volume, Cost, Net Sales Realisation, EBITDA or a combination of these for the respective business/ SBU entities.

Amount recovered by the Parent and recognized by the company in the statement of profit and loss account for the period ended Crores March 31, 2023 was Rs 0.56 Crores (Year ended March 31, 2022 was Rs 0.06 Crores). The Company considers these amounts as not material and accordingly has not provided further disclosures.

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27 Employee benefits

(i) Defined contribution plans

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised Rs.0.19 Crores (Previous year Rs. 0.18 Crores) for Provident Fund contributions in the Statement of Profit and Loss.

The Company has recognised Rs. 0.07 Crores (Previous year Rs.0.06 Crores) for Superannuation Fund contributions in the Statement of Profit and Loss.

Central provident fund

In accordance with the The Employees Provident Fund and Miscellaneous Provisions Act, 1952, employees are entitled to receive benefits under the Provident Fund Scheme. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (12% for fiscal year 2023 and 2022) of an employee's basic salary. All employees have an option to make additional voluntary contributions. These contributions are made to the fund administered and managed by the Government of India (GOI). The Company has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the statement of profit and loss in the period they are incurred.

Superannuation

Superannuation, another pension scheme applicable in India, is applicable only to senior executives. The Company holds a policy with Life Insurance Corporation of India ("LIC"), to which the Company contributes a fixed amount relating to superannuation and the pension annuity is met by LIC as required, taking into consideration the contributions made. The Company has no further obligations under the scheme beyond its monthly contributions which are charged to the statement of profit and loss in the period they are incurred.

(ii) Defined benefit plans

Gratuity plan

In accordance with the Payment of Gratuity Act of 1972, the Company contributes to a defined benefit plan (the "Gratuity Plan") for employees who have completed 5 years of service. The Gratuity Plan provides a lump sum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. The gratuity plan is a funded plan and the company makes contribution to recognized funds in India.

Based on actuarial valuations conducted as at year end, a provision is recognised in full for the benefit obligation over and above the funds held in the Gratuity Plan.

- Principal actuarial assumptions

Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:

	Year ended Mar 31, 2023	Year ended March 31, 2022
Discount Rate	7.39	7.14%
Expected rate of increase in compensation level of covered employees	8.0%	8.0%
Expected return on plan asset*	8.65%	8.65%
Retirement age	58 years	58 years
In Service Mortality	IALM (2012-14)	IALM (2012-14)
Withdrawal rates for:-		
Up to 30 years	23%	23%
From 31 to 44 years	23%	23%
Above 44 years	23%	23%

* The expected rate of interest is considered based on historical data.

- Amount of obligation recognised in the balance sheet consists of:

	Year ended Mar 31, 2023 (INR Crores)	Year ended March 31, 2022 (INR Crores)
Present value of defined benefit obligations	0.89	0.79
Fair value of plan assets	(0.61)	(0.42)
	0.28	0.37

27 Employee benefits

Cont..

- Amounts recognised in Statement of Profit and loss in respect of defined benefit plan are as follows:

	Year ended Mar 31, 2023	Year ended March 31, 2022
	(INR Crores)	(INR Crores)
Current service cost	0.06	0.06
Interest expenses on plan liabilities	0.06	0.07
Expected return on plan assets	0.01	(0.03)
	0.13	0.10

- Amounts recognised in the Other Comprehensive Income in respect of defined benefit plan are as follows:

Remeasurement of net defined benefit obligation

	Year ended Mar 31, 2023 (INR Crores)	Year ended March 31, 2022 (INR Crores)
Actuarial loss/(gain) arising from changes in financial assumption	(0.01)	(0.01)
Actuarial loss arising from changes in experience adjustment	0.02	(0.19)
Actuarial gain arising from changes in demographic adjustment	-	-
Components of defined benefit costs recognized in other comprehensive income	0.02	(0.20)

- The movement in present value of the defined benefit obligation is as follows:

	Year ended Mar 31, 2023 (INR Crores)	Year ended March 31, 2022 (INR Crores)
Balance at start of the year	0.78	0.97
Current service cost	0.06	0.06
Interest cost	0.06	0.07
Benefits paid	(0.03)	(0.12)
Actuarial Gain on arising from Change in Demographic Assumption	-	-
Actuarial (gain)/loss arising from changes in financial assumption	(0.01)	(0.01)
Actuarial loss arising from changes in experience adjustment	0.02	(0.19)
Balance at end of year	0.88	0.78

- Movement in the fair value of plan assets is as follows:

	Year ended Mar 31, 2023 (INR Crores)	Year ended March 31, 2022 (INR Crores)
Balance at start of the year	0.43	0.46
Contribution received	0.20	0.06
Interest income	0.04	0.03
Charges	-	-
Benefits paid	(0.03)	(0.12)
Balance at the end of year	0.63	0.43

% allocation of plan assets

Assets by category

	Year ended Mar 31, 2023	Year ended March 31, 2022
Life insurance corporation of india	100%	100%

In absence of detailed information regarding plan assets which is funded with Life Insurance Corporation of India, the composition of each major category of plan assets and the percentage or amount for each major category to the fair value of total plan assets has not been disclosed.

The actuarial return on plan assets was Rs. 0.03 Crores for the year ended March 31, 2023 and Rs. 0.03 Crores for year ended March 31, 2022.

Weighted average duration of the defined benefit obligation

3.75

3.78

The company expects to contribute Rs. 0.08 Crores to the funded defined benefit plan in fiscal year 2023 (PY of Rs. 0.08 Crores).

- Sensitivity analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

VIZAG GENERAL CARGO BERTH PRIVATE LIMITED

27 Employee benefits - Notes forming part of the financial statements as at and for the year ended March 31, 2023

Cont..

	Year ended March 31, 2023' (INR Crores)	Year ended March 31, 2022' (INR Crores)
Discount rate		
PVO at the end of period (Discount rate - 0.5%)	0.90	0.77
PVO at the end of period Discount rate	0.89	0.79
PVO at the end of period (Discount rate + 0.5%)	0.87	0.76
Expected rate of increase in compensation level of covered employees		
PVO at the end of period (Salary Increase - 0.5%)	0.87	0.77
PVO at the end of period Salary increase	0.89	0.79
PVO at the end of period (Salary Increase + 0.5%)	0.90	0.80

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

Risk analysis

Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

Investment risk

Defined benefit plans are funded with Life Insurance Corporation of India (LIC). Company does not have any liberty to manage the fund provided to LIC.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds . If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

Longevity risk/ Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Maturity Profile of Defined Benefit Obligation

Year	INR Crores March 31, 2023
0 to 1 Year	0.20
1 to 2 Year	0.16
2 to 3 Year	0.12
3 to 4 Year	0.09
4 to 5 Year	0.07
5 to 6 Year	0.06
6 Year onwards	0.18

28 Related party transactions

(a) List of related parties and relationships

(i) Ultimate holding company

Volcan Investments Limited

(ii) Holding company:

Vedanta Limited

(iii) Fellow subsidiaries

- Bharat Aluminium Company Limited
- Talwandi Sabo Private Limited
- Maritime Ventures Private Limited
- Hindustan Zinc Limited
- ESL Steel Limited (Formerly known as Electrosteel Steels Limited)

(iv) List of Directors and Key Managerial Personnel (KMP)

- Mr. Prasun Kumar Mukherjee : Non-Executive Independent Director
- Mr. Vijay Chhibber : Non-Executive Independent Director
- Mr. Anup Agarwal : Non-Executive Director
- Mr. Chikkala Sateesh Kumar : Whole-time Director & Dy. Chief Executive officer--**KMP**
- Mr. Vinay Chaurasia : Chief Financial Officer --**KMP**
- Mr. Kamala Kantha Sahoo : Company Secretary (w.e.f 1st August 2021)--**KMP**

(b) Details of related party transactions (Excluding taxes, applicable if any) and balances outstanding as at year end are as stated below.

	Year ended Mar 31, 2023	Year ended March 31, 2022
	<u>(INR Crores)</u>	<u>(INR Crores)</u>
<u>Transactions during the year</u>		
(i) Scripts Transferred		
- Vedanta Limited	-	-
- ESL Steel Limited (Formerly known as Electrosteel Steels Limited)	-	1.28
(ii) Scripts Received		
- Vedanta Limited	-	1.28
(iii) Income from port operations *		
- Vedanta Limited	11.07	1.75
- Bharat Aluminium Company Limited	5.36	2.56
- Maritime Ventures Private Limited	14.70	25.19
- ESL Steel Limited (Formerly known as Electrosteel Steels Limited)	1.76	1.47
(iv) Employee benefit expenses charged by*		
- Vedanta Limited (Refer Note 26)	0.56	0.06
(v) Employee benefit & Admin expenses charged to *		
- Vedanta Limited	0.09	0.24
- Maritime Ventures Private Limited	3.70	3.67
- ESL Steel Limited (Formerly known as Electrosteel Steels Limited)	0.00	0.04
- Fujairah Gold	-	-
- Hindustan Zinc Limited	0.02	0.07
- Talwandi Sabo Private Limited	-	0.02
- Cairn India Limited	0.00	-
- Malco Energy limited	0.03	-
- Bharat Aluminium Company Limited	0.01	-
(vi) Finance cost charged by Vedanta Limited *		
- Interest on long term borrowings	1.42	-
- Other borrowing costs	1.06	0.14
- Interest on short term borrowings	-	42.51
(vii) Finance cost charged by Maritime Ventures Private Limited *	2.64	1.30
(viii) Reimbursement of expenses net*		
- Vedanta Limited	2.88	1.41
- Bharat Aluminium Company Limited	-	0.06
- Maritime Ventures Private Limited	-	3.07
- ESL Steel Limited (Formerly known as Electrosteel Steels Limited)	-	-
- Hindustan Zinc Limited	0.01	0.00
- Cairn India Limited	0.01	0.00
- FACOR	0.03	-
- Malco Energy limited	0.01	-

28 Related party transactions

(ix) Purchase of Assets & Purchases & other services		
- Sesa Resources Limited	-	-
- Vedanta Limited	0.01	-
- ESL Steel Limited (Formerly known as Electrosteel Steels Limited)	-	-
(x) Short term borrowing taken from		
- Vedanta Limited	-	425.00
- Maritime Ventures Private Limited	-	29.50
(xi) Long term borrowing taken from		
- Vedanta Limited	-	-
- Maritime Ventures Private Limited	11.25	-
(xii) Key Management Personnel *		
- Sitting fees paid	0.25	0.33
- Remuneration of Key Managerial Personnel (refer note below)	1.24	1.29

Note: Remuneration of Key Managerial Personnel

	Year ended March 31, 2023	Year ended March 31, 2022
	(INR Crores)	(INR Crores)
Short-term employee benefits	1.22	1.24
Post employment benefits	0.02	0.05
Share based payments		-
Total	1.24	1.29

* Details of related party transactions are reported by excluding taxes, if any

Outstanding balances at year end

	As at Mar 31, 2023 (INR Crores)	As at March 31, 2022 (INR Crores)
(i) Short term borrowing		
- Vedanta Limited	18.50	18.50
- Maritime Ventures Private Limited	40.75	29.50
(ii) Corporate Guarantee issued on Company's behalf by		
- Vedanta Limited	429.24	431.25
(iii) Trade Payables		
- Vedanta Limited	1.47	2.48
- Maritime Ventures Private Limited		3.10
- Cairn India	0.01	0.00
- Ferro Alloys Corporation Limited	0.03	
- Electro Steel Limited	0.04	
(iv) Other financial liabilities		
- Vedanta Limited	7.46	18.18
- Hindustan Zinc Ltd		-
- Maritime Ventures Private Limited	3.55	1.17
(v) Trade receivables		
- Vedanta Limited	2.11	1.67
- Bharat Aluminium Company Limited	-	0.34
- ESL Steel Limited (Formerly known as Electrosteel Steels Limited)	0.01	0.01
- Malco Energy limited	-	-
- Maritime Ventures Private Limited	0.31	-

Terms and conditions of transactions with related parties

All transactions with related parties are made in ordinary course of business. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31 2023, the company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

VIZAG GENERAL CARGO BERTH PRIVATE LIMITED
Notes forming part of the financial statements as at and for the year ended March 31, 2023

29 Tax expense/(Benefit)

The major components of income tax expense/(Benefit) for the year ended March 31, 2023 are indicated below:

	Year ended Mar 31, 2023	Year ended March 31, 2022
	(INR Crores)	(INR Crores)
Current Tax	-	-
Deferred tax liability arising on temporary differences	(58.34)	(0.96)
	(58.34)	(0.96)

A reconciliation of income tax expense applicable to accounting profits before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

	Year ended Mar 31, 2023	Year ended March 31, 2022
	(INR Crores)	(INR Crores)
Net (Loss) before tax	(27.02)	(24.27)
Statutory tax rate	25.17%	29.12%
Tax at statutory income tax rate	(6.80)	(7.07)
Tax Impact on Unabsorbed Depreciation for Previous years - Deferred tax asset created	(51.54)	6.04
Deferred tax on Fair valuation of Mutual Fund under income tax	(0.01)	0.01
Deferred tax on Employee benefits under income tax on provisions	0.01	0.06
Credit in respect to deferred tax for prior year	-	-
Others	-	-
Tax charge /(Credit) for the year	(58.34)	(0.96)

Sectoral Benefit - Port Operations

During the current financial year, the company has opted new tax regime u/s 115BAA of the income tax act. The effective tax rate applicable is 25.168% as compared to 29.12% applicable under old tax regime. Under new tax regime, MAT provisions are not applicable

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VIZAG GENERAL CARGO BERTH PRIVATE LIMITED

Notes forming part of the financial statements as at and for the year ended March 31, 2023

30 Income tax

Deferred tax liabilities/ (assets)

The deferred tax liability represents accelerated tax relief for the depreciation of property plant and equipment and the amortisation of intangible assets and gain on the fair valuation of mutual fund. Significant components of liability recognized in the balance sheet are as follows:

As at Mar 31, 2023	(INR Crores)			
Significant components of deferred tax liabilities / (assets)	Opening April 01, 2022	Charged / (credited) to Statement of profit or loss	Charged/ (credited) to OCI	Total as at Mar 31, 2023
Property, plant and equipment and intangible assets	71.72	(1.63)	-	70.10
Losses/Unabsorbed Depreciation available for offsetting against future taxable income	(66.17)	(56.71)	-	(122.88)
Fair valuation on mutual fund	(0.00)	(0.01)	-	(0.01)
MAT Credit entitlement	-	-	-	-
Employee benefit	(0.13)	0.01	-	(0.12)
Other Temporary Differences - Provisions	-	-	-	-
	5.42	(58.34)	-	(52.92)
As at March 31, 2022	(INR Crores)			
Significant components of deferred tax liabilities/ (assets)	Opening April 01, 2021	Charged / (credited) to Statement of profit or loss	Charged/ (credited) to OCI	Total as at March 31, 2022
Property, plant and equipment and intangible assets	71.01	0.71	-	71.72
Losses/Unabsorbed Depreciation available for offsetting against future taxable income	(64.43)	(1.74)	-	(66.17)
Fair valuation on mutual fund	(0.01)	0.01	-	(0.00)
MAT Credit entitlement	-	-	-	-
Employee benefit	(0.19)	0.06	-	(0.13)
Other Temporary Differences - Provisions	-	-	-	-
	6.38	(0.96)	-	5.42

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31 Financial Instruments

(a) Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 and 3.

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at March 31, 2023

(INR Crores)

Financial assets	FVTPL	FVTOCI	Amortised cos	Total carrying value	Total fair value
Cash and cash equivalents	-	-	9.97	9.97	9.97
Current investments	2.75	-	-	2.75	2.75
Trade receivables	-	-	10.30	10.30	10.30
Security deposits	-	-	3.19	3.19	3.19
Other receivables	-	-	-	-	-
Other current financial asset	-	-	0.8	0.8	0.87
	2.75	-	24.3	27.0	27.07
Financial liabilities	FVTPL	FVTOCI	Amortised cos	Total carrying value	Total fair value
Borrowings	-	-	411.75	411.75	411.75
Trade payables	-	-	67.63	67.63	67.63
Other non current financial liabilities	-	-	-	-	-
Other current financial liabilities	-	-	13.3	13.3	13.34
	-	-	492.7	492.7	492.72

As at March 31, 2022

(INR Crores)

Financial assets	FVTPL	FVTOCI	Amortised cos	Total carrying value	Total fair value
Cash and cash equivalents	-	-	0.55	0.55	0.55
Current investments	26.95	-	-	26.95	26.95
Trade receivables	-	-	8.75	8.75	8.75
Security deposits	-	-	3.20	3.20	3.20
Other receivables	-	-	-	-	-
Other current financial asset	-	-	0.6	0.6	0.62
	26.95	-	13.1	40.0	40.07
Financial liabilities	FVTPL	FVTOCI	Amortised cos	Total carrying value	Total fair value
Borrowings	-	-	423.00	423.00	423.00
Trade payables	-	-	46.39	46.39	46.39
Other non current financial liabilities	-	-	-	-	-
Other current financial liabilities	-	-	22.2	22.2	22.25
	-	-	491.6	491.6	491.64

(b) Fair value hierarchy

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique-

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The below table summarises the categories of financial assets and liabilities as at March 31,2023 and March 31,2022

As at March 31, 2023

(INR Crores)

	Level 1	Level 2	Level 3
<u>Financial Assets</u>			
- Current investments	2.75	-	-
<u>Financial Liabilities</u>			
- Borrowings	-	411.75	-

As at March 31, 2022

(INR Crores)

	Level 1	Level 2	Level 3
<u>Financial Assets</u>			
- Current investments	26.95	-	-
<u>Financial Liabilities</u>			
- Borrowings	-	423	-

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31 Financial Instruments (Cont.)

The fair value of the financial assets and liabilities are at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values.

- Short-term marketable securities not traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house. (a Level 1 technique)

Borrowings has been classified as level 2 both during the year and previous year. There were no transfers between level 1, level 2 and level 3 during the year.

The Management assessed fair value of cash & cash equivalents, trade receivables, security deposits, loans, trade payables and other current financial assets and liabilities as their book values because of their short term maturities.A26

(c) Risk management framework

The company's businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. Each significant risk has a designated 'owner' within the company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Company's Audit Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the Board.

The risk management framework aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

Treasury management

The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk, liquidity risk and cashflow risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The Company's treasury policies are within the framework of the overall Holding Company's treasury policies and adherence to these policies is strictly monitored at the Executive Committee meetings. Long-term fund raising including strategic treasury initiatives are handled with the help of central treasury team. A monthly reporting system exists to inform senior management of investments and debt. The company has a strong system of internal control which enables effective monitoring of adherence to company's policies. The internal control measures are effectively supplemented by regular internal audits.

Financial risk

The Company's Board approved financial risk policies comprise liquidity, foreign currency, interest rate and counterparty credit risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

(i) Liquidity risk

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening the balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

Payment Due by Year	<1 year	1-3 Years			
Borrowings *	352.50				
Trade payables and other financial liabilities **	80.97	-			
Total	433.47	-	-	59	492.72
	<1 year	1-3 Years			
Borrowings *	70.50	89.10			
Trade payables and other financial liabilities **	46.14	-			
Total	116.64	89.10	105.00	158.40	469.14

*Includes Non-current borrowings, current borrowings, current maturities of non-current borrowings and committed interest payments.(Refer point 3 to Note 13A)

**Includes current financial liabilities, excludes current maturities of non-current borrowings and committed interest payments on borrowings.

31 Financial Instruments (Cont.)

The Company had access to following funding facilities :

As at March 31, 2023

	<u>Total Facility</u>	<u>Drawn</u>	<u>(INR Crores)</u> <u>Undrawn</u>
less than one year	-	-	-
more than two year	391.00	390.91	0.09
Total	<u>391.00</u>	<u>390.91</u>	<u>0.09</u>

As at March 31, 2022

	<u>Total Facility</u>	<u>Drawn</u>	<u>(INR Crores)</u> <u>Undrawn</u>
less than one year	-	-	-
more than two year	391.00	390.91	0.09
Total	<u>391.00</u>	<u>390.91</u>	<u>0.09</u>

Collateral security

Details of securities for the borrowing facilities availed by the Company are as below:

(ii) Foreign exchange risk

Foreign exchange risk comprises of the risk that may arise to the Company because of fluctuations in foreign currency exchange rates. Fluctuations in foreign currency exchange rates may have an impact on the statements of profit or loss and statement of change in equity where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The Company does not have any foreign currency exposure as on March 31, 2023.

The Company's exposure to foreign currency arises where the Company holds monetary assets and liabilities denominated in a currency different to the functional currency, with US dollar being the non-functional currency. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, liquidity and other market changes.

The company has no foreign currency exposure as on March 31, 2023 & March 31, 2022

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31 Financial Instruments (Cont.)

(ii) Interest rate risk

The company is exposed to interest rate risk on long-term floating rate instruments and on refinancing of fixed rate debt borrowing instruments outstanding as on the year end. The company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees. Indian Rupee debt comprising of non convertible debentures term loan and compulsory convertible debentures is principally at fixed interest rates. These exposures are reviewed by appropriate levels of management on a monthly basis. The Company invests cash and liquid investments in debt mutual funds, some of which generate a tax-free return, to achieve the company's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

Floating rate financial assets are largely interest bearing security deposits held by the Company. The returns from these financial assets are linked to bank rate notified by Reserve Bank of India as adjusted annually. Additionally, the investments portfolio is independently reviewed by CRISIL Limited, and our investment portfolio has been rated as "Very Good" meaning highest safety.

The exposure of the Company's financial assets & financial liabilities as at March 31, 2023 to interest rate risk is as follows:

	(INR Crores)			
	<u>Floating Rate</u>	<u>Fixed Rate</u>	<u>Non Interest</u>	<u>Total</u>
Financial Assets	2.75	3.94	22.45	29.14
Financial Liabilities		411.75	80.97	492.72

The exposure of the Company's financial assets & financial liabilities as at March 31, 2022 to interest rate risk is as follows:

	(INR Crores)			
	<u>Floating Rate</u>	<u>Fixed Rate</u>	<u>Non Interest Bearing</u>	<u>Total</u>
Financial Assets	26.95	3.87	11.25	42.07
Financial Liabilities	-	423.00	68.64	491.64
	-	-	-	-

The table below illustrates the impact of a 0.5% to 2.0% increase in interest rates on interest on financial assets/ liabilities (net) assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

	(INR Crores)		(INR Crores)	
	<u>Year Ended</u>	<u>March</u>	<u>Year Ended</u>	<u>March</u>
Increase in interest rates	31, 2023		March 31, 2022	
0.50%		0.01		0.13
1.00%		0.03		0.27
2.00%		0.05		0.54

0.5% to 2% reduction in interest rate would have an equal and opposite effect on the company's financial statements.

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31 Financial Instruments (Cont.)

(iii) Counterparty and concentration of credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The company is exposed to credit risk for receivables, cash and cash equivalents, short-term investments and loans and advances.

The Company does not expect any material risk on account of non-performance by any of the Company's counterparties as approximate 64% receivables as on March 31, 2020 is pertaining to fellow subsidiary. The history of trade receivables shows a negligible provision for bad and doubtful debts therefore the company does not expect any material risk on account of non performance by any of the company's counter parties.

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes.

The carrying value of the financial assets and Current investments other than cash represents the maximum credit exposure. The company's maximum exposure to credit risk as at March 31, 2023 is Rs.14.35 Crores (March 31, 2022 Rs.12.57 Crores).

None of the company's cash equivalents are past due or impaired. Regarding trade and other receivables and other non-current assets, there were no indications as at March 31, 2023, that defaults in payment obligations will occur, other than those for which provision has already been taken in the financial statements.

Of the year end trade receivables and other financial assets, the following balance were past due but not impaired as at March 31, 2023 and March 31, 2022 :

Particulars	(INR Crores)	(INR Crores)
	As at	As at
	March 31, 2023	March 31, 2022
Neither impaired nor past due	3.34	3.20
Due less than one month	5.14	7.83
Due between 1 to 3 Months	1.13	1.25
Due between 3 to 12 Months	3.92	0.03
Due Greater than 12 Months	0.81	0.26
Total	14.35	12.57

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer. The company based on past experience does not expect any material loss on its receivables and hence no provision on account of ECL.

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach for impairment of financial assets. If credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

32 Service Concession arrangement

The Company has been engaged in coal berth mechanization and upgradation at Visakhapatnam port. The project is to be carried out on a design, build, finance, operate, transfer basis and the concession agreement between Visakhapatnam Port Trust ('VPT') and the Company was signed in June 2010. In October 2010, the Company was awarded with the concession after fulfilling conditions stipulated as a precedent to the concession agreement. Visakhapatnam port trust has provided, in lieu of license fee an exclusive license to the Company for designing, engineering, financing, constructing, equipping, operating, maintaining, and replacing the project/project facilities and services. The concession period is 30 years from the date of the award. The upgraded capacity is 10.18 mmtpa and the Visakhapatnam port trust would be entitled to receive 38.10% share of the gross revenue as royalty. The Company is entitled to recover a tariff from the user(s) of the project facilities and services as per its Tariff Authority for Major Ports (TAMP) notification. The tariff rates are linked to the Wholesale Price Index (WPI) and would accordingly be adjusted as specified in the concession agreement every year. The ownership of all infrastructure assets, buildings, structures, berths, wharfs, equipment and other immovable and movable assets constructed, installed, located, created or provided by the Company at the project site and/or in the port's assets pursuant to concession agreement would be with the Company until expiry of this concession agreement. The cost of any repair, replacement or restoration of the project facilities and services shall be borne by the Company during the concession period. The Company has to transfer all its rights, titles and interest in the project facilities and services free of cost to VPT at the end of the concession period. Intangible asset port concession rights represents consideration for construction services. No Revenue from construction contract of service concession arrangements on exchanging construction services for the port concession rights was recognised for the year ended March 31, 2023 and March 31, 2022. The company has entered into a supplementary agreement to the original concession agreement with VPA dated 20th October 2021, whereas VPA can handle other compatible cargos at VGCBPL during idling of the berth.

VIZAG GENERAL CARGO BERTH PRIVATE LIMITED
Notes forming part of the financial statements as at and for the year ended March 31, 2023

33 Financial ratios are as follows:

Ratio	Formula	As at 31 Mar 2023	As at 31 March 2022	Change	Reasons
(a) Current Ratio (in times)	Current Assets/Current Liabilities				Due to indusind loan has
		0.38	0.60	-60%	been moved to short term loan and decrease in investments
(b) Debt-Equity Ratio (in times)	Gross Debt/ Equity	20.82	(36.70)	276%	Due to change in networth from negative figure to positive figure
(c) Debt Service Coverage Ratio (in times)	Earnings before interest, depreciation, tax and exceptional items/ (interest expense + principal payments of long term loans)	0.07	0.15	-110%	Due to reduction in finance cost(Decrease in Interest rate
(d) Return on Equity Ratio (%)	* Net Profit after tax before exceptional/Net Worth	158%	202%	-28%	due to refinancing of loan from Vedanta Limited to IndusInd Bank)
(e) Inventory turnover ratio (in times)	Revenue from operations less EBITDA/ Average Inventory	-	-	0%	Due to change in networth from negative figure to positive figure
(f) Trade Receivables turnover ratio (in times)	Revenue from operations/ Average Trade Receivables	18.43	25.16	-37%	NA
(g) Trade payables turnover ratio (in times)	Total Purchases/Average Trade Payables	-	-	0%	Due to increase in revenue and increase in trade receivable.
(h) Net capital turnover ratio (in times)	Revenue from Operations / Working capital	(0.43)	(1.59)	-268%	NA
(i) Net profit ratio (%)	Net Profit after tax before exceptional items/Revenue from operations	18%	-14%	181%	Due to increase in revenue and negative working capital.
(j) Return on Capital employed (in times)*	Earnings net of taxes/ Average Capital Employed	0.13	(0.10)	177%	Due to increase in profits.
(k) Return on investment	Income from investment measured at FVTPL/ Average current investment	0.02	0.01	58%	Due to decrease in investment balance during the year

*Return on Equity Ratio is coming positive as company is having losses and negative net worth

Note:

1. The Company has net current liabilities amounting to Rs.406.79 Crores mainly on account of loan from indusind which is classified as current since the bank have the right to put the entire facility outstanding and demand prepayment of the entire facility outstanding, at anytime after 15 months from the date of disbursement. The directors have received an unconditional letter of support from Vedanta Limited, the parent company, who will provide financial support to the Company to enable it to meet its obligations as and when they fall due and to carry on its current business for the next 18 months. Thus, the financial statements have been prepared on going

34 Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

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VIZAG GENERAL CARGO BERTH PRIVATE LIMITED

Notes forming part of the financial statements as at and for the year ended March 31, 2023

35 The Company has only one business segment primarily the supply of cargo handling and storage services and operates in one geographical segment. Accordingly, disclosures relating to operating segments under the Indian Accounting Standard (Ind AS) 108 on "Operating Segments" notified under section 133 read with Rule 4A of the Companies Act, 2013, are not applicable to the Company for period ended March 31, 2023. Revenue from three customers amounting to Rs. 70.79 Crores (March 31, 2022 Rs. 67.73 Crores revenue from three customers) exceeded 10% of the total revenue of company. All the company's revenue , trade receivable and non current asset are in India.

36 Previous year figures have been regrouped/ reclassified, where necessary, to confirm to this year's classification.

As per the report of even date

For S.R Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

For and on behalf of Board of Directors

per Ajay Bansal

Partner

Membership No.: 502243

Chikkala Sateesh Kumar

Director

DIN : 08879426

Anup Agarwal

Director

DIN : 08551388

Vinay Chaurasia

Chief Financial Officer

Kamala Kantha Sahoo

Company Secretary

ICSI Membership No: ACS64857

Place: Gurgaon

Date : April 17, 2023

Place: Vizag

Date : April 17, 2023