



Vizhinjam International Seaport Limited  
Thiruvananthapuram  
(Government of Kerala Undertaking)

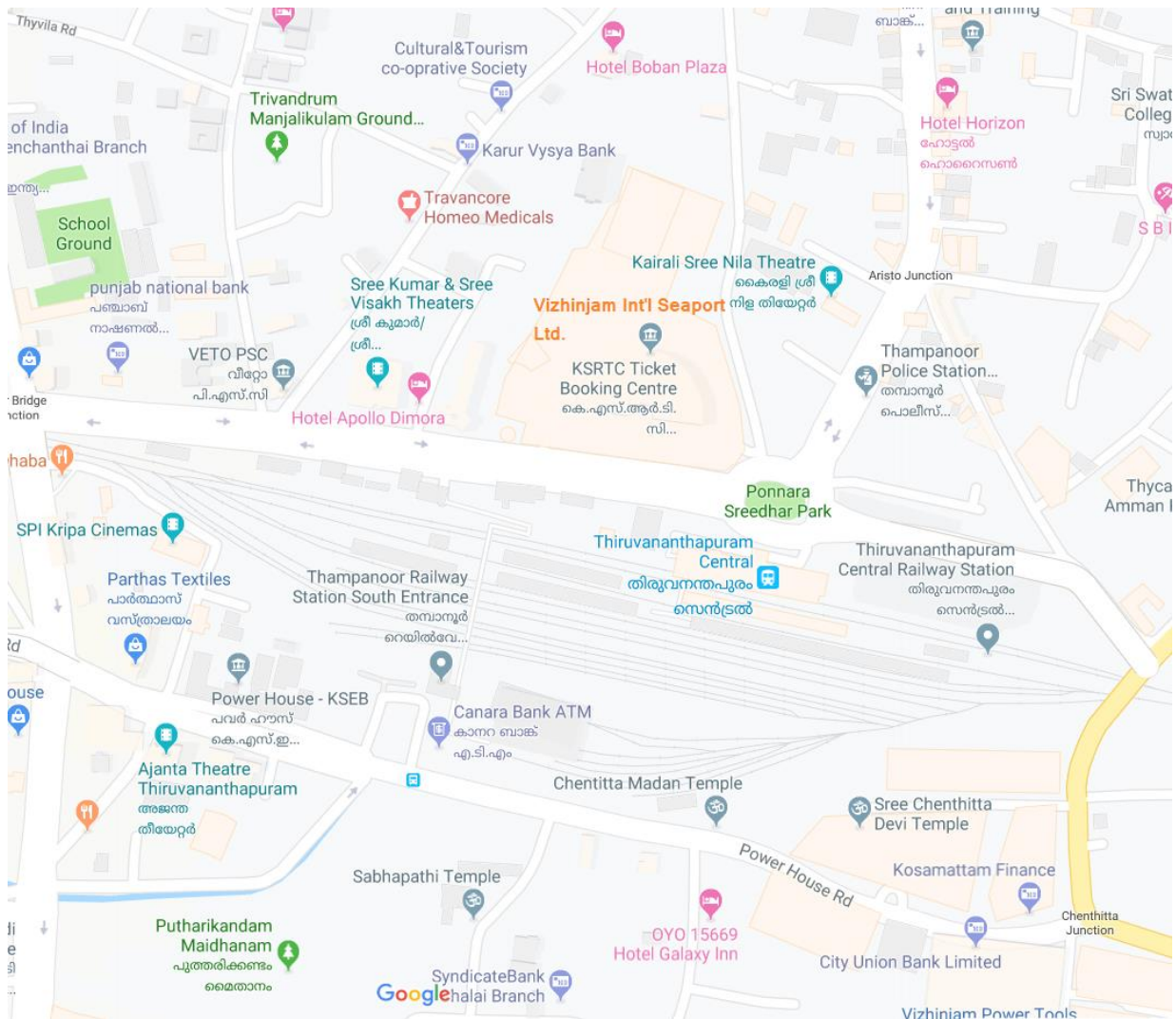
# 19<sup>th</sup> ANNUAL REPORT 2022-2023





# Route Map of the Venue of VISL

Vizhinjam International Seaport Limited  
9<sup>th</sup> Floor, KSRTC Bus Terminal Complex,  
Thampanoor PO,  
Thiruvananthapuram, Kerala 695001



---

# **19<sup>th</sup> ANNUAL REPORT OF THE DIRECTORS FOR**

## **THE YEAR ENDED 31.03.2023**

---

<b>Sl. No</b>	<b>CONTENTS</b>	<b>Page No</b>
1	General information	01
2	Notice of the 19 <sup>th</sup> Annual General Meeting (adjourned)	03
3	Notice of the 19 <sup>th</sup> Annual General Meeting	04
4	Annual Report of the Directors	05
5	Annexure to Board's Report	09
6	Addendum to Board's Report	16
7	Auditors' Report	17
8	Balance Sheet as at 31-03-2023	34
9	Profit & Loss Account for the year ended 31-03-2023	35
10	Cash Flow Statement for the year ended 31-03-2023	36
11	Notes of Balance Sheet as on 31-03-2023	37
12	Notes on Profit & Loss Account for the year ended 31-03-2023	46
13	Company information & Significant Accounting Policies	48
14	Other Notes on Accounts	52
15	Comments of the Comptroller & Auditor General of India	57
16	Proxy Form for the 19 <sup>th</sup> Annual General Meeting	59
17	Proxy Form for the 19 <sup>th</sup> Annual General Meeting (Adjourned)	61
18	Consent for short notice for the 19 <sup>th</sup> Adjourned Annual General Meeting	63



## Vizhinjam International Seaport Limited

(A Government of Kerala Undertaking)

CIN: U45309KL2004SGC017685

Thiruvananthapuram 695 001, Kerala State

### GENERAL INFORMATION

#### **Registered Office**

Vizhinjam International Seaport Ltd.  
CIN: U45309KL2004SGC017685  
9<sup>th</sup> Floor, KSRTC Bus Terminal Complex  
Thampanoor PO  
Thiruvananthapuram 695001  
[www.vizhinjamport.in](http://www.vizhinjamport.in)

#### **Contact:**

Telephone: 0471-2328616  
Tele-fax: 0471-2328616  
E-mail: mail@vizhinjamport.in

### BOARD OF DIRECTORS as on 19.10.2024

- Shri. Pinarayi Vijayan**, Hon'ble Chief Minister – Chairman  
**Shri. V. N Vasavan**, Hon'ble Minister (Ports, Co-operation & Devaswom) – Vice Chairman  
**Shri. K Rajan**, Hon'ble Minister (Revenue) – Director  
**Shri. Saji Cheriyan**, Hon'ble Minister (Fisheries) - Director  
**Shri. K. N. Balagopal**, Hon'ble Minister (Finance)- Director  
**Shri. V. Sivankutty**, Hon'ble Minister (General Education and Labour)- Director  
**Dr. Shashi Tharoor**, Hon'ble Member of Parliament, Thiruvananthapuram - Director  
**Smt. Sarada Muraleedharan, IAS**, Chief Secretary, Govt. of Kerala – Director  
**Dr. A Jayathilak, IAS**, Addl. Chief Secretary, Finance, Govt. of Kerala – Director  
**Shri K.S. Srinivas IAS**, Principal Secretary (Ports) – Director  
**Dr. Divya S Iyer, IAS** - Managing Director, VISL

#### Bankers

State Bank of India, Althara Branch  
State Bank of India, Main Branch, Statue  
IDBI Bank, Vazhuthacaud  
Sub Treasury, Vellayambalam

#### Statutory Auditors

M/s Krishnan Retna & Associates  
Chartered Accountants  
T.C. 37/1510-133, Flat No. 201  
Nandini Garden, Fort PO  
Thiruvananthapuram – 695023

#### Internal Auditors

M/S. Varma & Varma Chartered Accountants  
E-3, Sahasram, Elankom Gardens  
Sasthamangalam, Thiruvananthapuram-695010





## Vizhinjam International Seaport Limited

(A Government of Kerala Undertaking)

CIN: U45309KL2004SGC017685

Thiruvananthapuram 695 001, Kerala State

### **BOARD OF DIRECTORS AS ON 31-03-2023**

**Shri. Pinarayi Vijayan**, Hon'ble Chief Minister - Chairman

**Shri. Ahmmad Devarkovil**, Hon'ble Minister (Port, Museum and Archeology) – Vice Chairman

**Shri. K.N. Balagopal**, Hon'ble Minister (Finance) - Director

**Shri. Saji Cheriyan**, Hon'ble Minister (Fisheries & Harbour Engineering) - Director

**Shri. V. Sivankutty**, Hon'ble Minister (General Education and Labour) - Director

**Shri. K. Rajan**, Hon'ble Minister (Revenue) -Director

**Dr. Shashi Tharoor**, Hon'ble Member of Parliament, Thiruvananthapuram - Director

**Dr. V.P. Joy IAS**, Chief Secretary – Director

**Shri. Bishwanath Sinha, IAS**, Addl. Chief Secretary, Finance – Director

**Shri. Krishnan Kutty Biju, IAS**, Secretary, Department of Ports – Director

**Dr. Adeela Abdulla, IAS**, Managing Director VISL – Director

**Dr. Jayakumar**, Chief Executive Officer, VISL – Director



## Vizhinjam International Seaport Limited

(A Government of Kerala Undertaking)

CIN: U45309KL2004SGC017685

Thiruvananthapuram 695 001, Kerala State

VISL/AGM-19/2022-23/621

October 19<sup>th</sup> 2024

### NOTICE

Dear Shareholders,

Notice is hereby given that the 19<sup>th</sup> (Adjourned) Annual General Meeting of the Shareholders of Vizhinjam International Seaport Limited will be held on Monday, the 21<sup>st</sup> of October, 2024 at 03.30 pm at the Registered Office of the Company, 9<sup>th</sup> Floor, KSRTC Bus Terminal Complex, Thampanoor PO, Thiruvananthapuram-695001 to transact the following business:-

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and Auditor's Report for the year ended 31-3-2023, Balance Sheet of the Company as on 31-03-2023, Profit and Loss Account of the Company for the year ended 31-03-2023, and all the documents required to be attached/annexed to the Director's Report.

By Order of the Board,

Sd/-

SANKARAN SUMA  
Company Secretary & CAO

#### **Notes:**

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.**
2. **Proxy form is enclosed herewith. This must be returned duly completed to reach the office at least 48 hours before the meeting.**
3. **Consent of shareholders to hold the meeting at short notice is enclosed herewith pursuant to Section 101(1) of the Companies Act, 2013. This must be returned duly completed to reach the office at least 24 hours before the meeting.**



## Vizhinjam International Seaport Limited

(A Government of Kerala Undertaking)

CIN: U45309KL2004SGC017685

Thiruvananthapuram 695 001, Kerala State

VISL/AGM-19/2023/524

September 4<sup>th</sup> 2023

### NOTICE

Dear Shareholders,

**N**otice is hereby given that the Nineteenth (19<sup>th</sup>) Annual General Meeting of the Shareholders of Vizhinjam International Seaport Limited will be held on Thursday, 28<sup>th</sup> September 2023, 3.00 PM at the Registered Office of the Company, 9<sup>th</sup> Floor, KSRTC Bus Terminal Complex, Thampanoor PO, Thiruvananthapuram-695001 to transact the following business:-

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and Auditor's Report for the year ended 31-03-2023, Balance Sheet of the Company as on 31-03-2023, Profit and Loss Account of the Company for the year ended 31-03-2023, and all the documents required to be attached/annexed to the Director's Report.
2. To fix the remuneration for the Statutory Auditors duly appointed by the C&AG for the year 2023-24.

By Order of the Board,

Sd/-

SANKARAN SUMA  
Company Secretary & CAO

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. A proxy form is enclosed herewith. This must be returned duly completed to reach the office at least 48 hours before the meeting.



## **19<sup>th</sup> ANNUAL REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31.03.2023**

**Dear Shareholders,**

The Board of Directors of your Company have pleasure in presenting their 19<sup>th</sup> Annual Report on the affairs of the Company with the audited financial statements of the Company for the year ended 31st March, 2023.

### **Financial results**

The financial performance of the company for the financial year ended March 31, 2023 is summarized below:

<b>Particulars</b>	<b>2022-23 (₹)</b>	<b>2021-22 (₹)</b>
<b>Share Capital, Reserves &amp; Surplus:</b>		
Authorised Share Capital	12,00,00,000	12,00,00,000
Paid up capital	12,00,00,000	12,00,00,000
Funds received from GoK excluding share capital	9,54,72,61,379	9,40,87,12,154
Interest on unutilized Grant	19,81,50,875	19,81,50,875
Lease Rent Receivable from GoK	(16)	(13)
Grant related to revenue expenses transferred to Statement of Profit & Loss a/c & Surplus in Statement of Profit & Loss a/c.	(2,14,97,13,942)	(1,41,26,48,825)
<b>Total</b>	<b>7,59,56,98,296</b>	<b>8,19,42,14,191</b>
<b>Summarised statement of Profit &amp; Loss:</b>		
Other Income including revenue grant	73,70,65,117	15,09,25,267
Expenditure including depreciation	(73,70,65,117)	(15,09,25,267)
Net Profit/(Loss) for the year before Tax	0	0
Tax expense	(0)	(0)
Net Profit/(Loss) for the year	-	-

### **Dividend**

The company is a nodal agency of Government of Kerala and meets its revenue and capital nature of expenses out of funds received from Government. As the company has not made profits, the Directors are not recommending any Dividend for the Financial Year 2022-23.

### **Transfer to Reserves**

No amount has been transferred to Reserves during the Financial Year 2022-23.

### **Extract of Annual Return**

The extract of Annual Return in Form MGT-9 as required under Section 92 (3) and Rule 12 of the Companies (Management and Administration) Rules 2014 is attached as Annexure to this Report.

### **Board Meetings held during the year:**

The Board Meetings are conducted to discuss and decide on all business decisions relating to the Company. The notice and Agenda with detailed notes for the Board meetings are served in advance to all the Directors. During the year, one Board meeting was held on 19<sup>th</sup> July, 2022. The attendance of each Director at the Board Meeting held during the period under review during which they held office is as under

	Directors	Meetings	
		Held	Attended
1.	Shri. Pinarayi Vijayan	1	1
2.	Shri. Ahammad Devarkovil	1	1
3.	Shri. Saji Cheriyen	1	0
4.	Shri. Sivankutty Nair Vasudevan Pillai	1	0
5.	Shri. K. N. Balagopal	1	1
6.	Shri. Kunnamkalath Madathil Rajan	1	1
7.	Dr. Shashi Tharoor	1	1
8.	Dr. Vazhayil Pathrose Joy IAS	1	1
9.	Smt. Tinku Biswal IAS	1	1
10.	Shri. Rajesh Kumar Singh IAS	1	1
11.	Shri. Gopalakrishnan Kaliannan IAS	1	1
12.	Dr. Jayakumar Venugopalan Nair	1	1

### **Material changes in the Management during the year**

During the year ended March 31, 2023, the following changes were made;

1. Vide G.O. (Ms) No. 23/2022/F&P dated 21.11.2022, Government appointed Shri. Biju K, IAS was appointed in lieu of Smt. Tinku Biswal IAS and Shri. Biswanath Sinha IAS was appointed in lieu of Shri. Rajesh Kumar Singh IAS.
2. Further vide G.O. (Rt) No. 638/2023/GAD dated. 07.02.2023, Smt. Adeela Abdulla IAS was appointed as Managing Director, VISL in lieu of Shri. K Gopalakrishnan IAS.

### **Material changes and commitments after the date of the Balance Sheet.**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and on the date of this report.

### **Statutory Auditors of the company:**

The Statutory Auditors of the company, appointed by Comptroller and Auditor General of India (C & AG) as per Section 139 (5) of the Companies Act, 2013 are M/s Krishnan Retna & Associates, Chartered Accountants, T.C. 37/1510-133, Flat No. 201, Nandini Garden, Fort PO, Thiruvananthapuram – 695023. The Auditor's report does not contain any qualification, reservation or adverse remark.

### **Audit by Comptroller and Auditor General of India:**

The Comptroller and Auditor General (C&AG) of India, has given **one** comment under Note 7-Property, Plant and Equipment-Capital Work in Progress – understated by ₹ 246.75 cr. on the Audited Financial Statements of the Company for the year ended March 31, 2023 under Section 143 (6) (b) of the Companies Act, 2013.

The Comments of C&AG, along with the replies of the Company are attached herewith as addendum to the Directors' Report.

**Related Party Transactions:**

All transactions entered by the company with Related Parties during the financial year were in the Ordinary Course of Business and at Arm's Length basis. There were no materially significant transactions with Related Parties during the financial year which were in conflict with the interest of the Company and do not attract the provisions of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of Related Party Transactions as required under section 134 (3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable. Suitable disclosure as required by the Accounting Standards (AS 18) has been made in the notes to the Financial Statements.

**Conservation of Energy, Technical Absorption, Foreign Exchange Earnings / Outgo**

The information required under Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, in respect of conservation of energy and technology adoption are not applicable to the company.

The foreign exchange earned in terms of actual inflows and outgo during the year are given below:-

	2022-23 (₹)	2021-22 (₹)
Foreign Exchange earned	Nil	Nil
Foreign exchange outgo	Nil	Nil

**Particulars of loans, guarantees, or investments:**

During the year the company has not given any loan or guarantee or made any investments which are covered under the provision of section 186 of the Companies Act 2013 during the year ended 31.03.2023.

**Deposits:**

During the year the company has not accepted any deposit within the meaning of Chapter V – Acceptance of deposits by Companies under the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**Risk Management:**

The risk associated with the company as an implementation agency to GoK is significantly low. The company oversees various risks associated with the business including identification, assessment and mitigation measures as required.

**Corporate Social Responsibility:**

As the company does not generate profits from activities, the company is not mandatorily required to spend towards Corporate Social Responsibility as per Section 135 (5) of the Companies Act, 2013. Taking the concerns of the public in the project affected areas and in line with stipulations laid down in the Environment Clearance received, the company is carrying out various Social Welfare activities during project implementation Stage. The company has already implemented the water supply for the project and is providing drinking water to the local people as part of its Welfare initiatives, Disbursing livelihood compensation to the project affected people, is also a being undertaken by the Company.

**Significant Material Orders passed by Regulators:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**Prevention of Sexual Harassment at workplace:**

As per the requirement, the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013, read with rules made thereunder, an Internal Complaints Committee is responsible for redressal of complaints related to sexual harassment. During the period under review there was no complaint pertaining to sexual harassment.



**Internal Control System:**

The Company has internal financial controls with reference to Financial Statements commensurate with the nature and size of the business. There exist effective checks and balances on recording and payment of all transactions and safeguarding of assets including timely preparation of reliable financial information. The company adheres to applicable accounting standards, statutes and other government policies. The company has appointed an internal auditor who carries out audit throughout the year covering the entire spectrum of business activities.

**Statement of Particulars of Employees:**

Section 197 (12) of the Companies Act 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 requiring inclusion of statement of particulars of employees drawing remuneration in excess of the limits set out in the rules, who if employed throughout / part of the financial year are either not applicable to a Government Company as per MCA Notification GSR 463(E) dated 05/06/2015 nor none of the Directors, Officers or employees of the company have received remuneration in excess of the limits prescribed thereunder.

**Directors' Responsibility Statement:**

Pursuant to Section 134 (3) (c) / (5) of the Companies Act, 2013 the Directors hereby confirm that:

- a) in the preparation of annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same.
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the profit and loss of the company for that period.
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) the Directors have prepared the annual accounts on a going concern basis.
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**Acknowledgement**

The Board of Directors wishes to express their deep sense of gratitude to the Government of Kerala, its Legal Consultant - M/s. HSA Advocates, State Bank of India and IDBI Bank for their keen interest and support in the company's activities.

The Board of Directors also sincerely appreciate and thank all the employees of the Company for their valuable contribution and dedicated efforts in steering the company in achieving its desired objectives.

For and on behalf of the Board of Directors,

Sd/-  
Pinarayi Vijayan  
Chairman  
(DIN No: 01907262)

Thiruvananthapuram  
Date : 24.09.2024

## ANNEXURE TO BOARD'S REPORT

Form No. MGT – 9  
EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31<sup>st</sup> March 2023  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U45309KL2004SGC017685
ii.	Registration Date	15 <sup>th</sup> December 2004
iii.	Name of the Company	VIZHINJAM INTERNATIONAL SEAPORT LIMITED
iv.	Category / Sub-Category of the Company	Company limited by Shares State Government Company
v.	Address of the Registered office and contact details	9 <sup>th</sup> FLOOR, KSRTC BUS TERMINAL COMPLEX THAMPANOR PO THIRUVANANTHAPURAM KERALA INDIA PINCODE 695001 www.vizhinjamport.in Telefax : 0471 2328616 <a href="mailto:mail@vizhinjamport.in">mail@vizhinjamport.in</a>
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NOT APPLICABLE

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service *	% to total turnover of the company
1	Construction of waterways, Harbours and River works, Dredging of waterways	42902	0%

\* As per National Industrial Classification 2008 – Ministry of Statistics and Programme Implementation.

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name And Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	NIL				

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
1) <i>Indian</i>									
a) Individual/HUF									
b) Central Govt									
c) State Govt(s)	0	1199000	1199000	99.92	0	1199000	1199000	99.92	0
d) Bodies Corp									
e) Banks / FI									
f) Any Other	0	1000	1000	0.08	0	1000	1000	0.08	0
Sub-total (A)(1)	0	1200000	1200000	100	0	1200000	1200000	100	0
2) <i>Foreign</i>									
a) NRIs-Individuals									
b) Other-Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A) = (A)(1) + (A)(2)	0	1200000	1200000	100	0	1200000	1200000	100	0

<b>B. Public Shareholding</b>									
1) <i>Institutions</i>									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital									
f) Insurance Companies									
g) FII's									
h) Foreign Venture Capital									
i) Funds Others (specify)									



	Sub-total (B)(1)	0	0	0	0	0	0	0	0	0
2)	<b>Non-Institutions</b>									
a)	Bodies Corp.									
i)	Indian									
ii)	Overseas									
b)	Individuals									
i)	Individual Shareholders holding Nominal Share Capital up to Rs 1 lakh									
ii)	Individual Shareholders holding Nominal Share Capital in excess of Rs 1 lakh									
c)	<b>Others (Specify)</b>									
	Sub-total (B)(2)	0	0	0	0	0	0	0	0	0
	Total Public Shareholding (B) = (B)(1) + (B)(2)	0	0	0	0	0	0	0	0	0
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)	0	1200000	1200000	100	0	1200000	1200000	100	0

**ii. Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Governor of Kerala	1199000	99.92	-	1199000	99.92	-	-
2.	Tinku Biswal IAS	-	-	-	1000	0.08	-	0.08
	Total	1200000	100.00	-	1200000	100.00	-	-

**iii. Change in Promoters' Shareholding ( please specify, if there is no change)**

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1200000	100	1200000	100
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>no change</b>			
	At the end of the year	1200000	100	1200000	100

**iv. Shareholding pattern of Top 10 shareholders (other than Directors, Promoters and holders of GDR's and ADR's)**

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of Top 10 Shareholders				
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the End of the year (or on the date of separation, if separated during the year)				

**v. Shareholding of Directors and Key Managerial Personnel:**

Sl No	Name	Shareholding at the beginning of the year		Date	Increase/ decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
	Director							
1	Shri. Sanjay Kaul IAS	1000	0.08	19.07.2022	-1000		1000	0.08
2	Smt. Tinku Biswal IAS	1000	0.08	19.07.2022	+1000		1000	0.08

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
- Addition	100 Cr.	NIL	NIL	100 Cr.
- Reduction				
Net Change	100 Cr.	NIL	NIL	100 Cr.
Indebtedness at the end of the financial year				
i) Principal Amount	100 Cr.	100 Cr.	100 Cr.	100 Cr.
ii) Interest due but not paid	0.02 Cr.	0.02 Cr.	0.02 Cr.	0.02 Cr.
iii) Interest accrued but not due				
Total (i+ii+iii)	100.02 Cr.	NIL	NIL	100.02 Cr.

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (₹)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	25,81,931	25,81,931
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	31,835	31,835
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission		
	- as % of profit	NIL	NIL
	- others, (please specify)		
5.	Others, (Festival allowance, Gratuity etc)	2,750	2,750
6.	Total (A)	26,16,516	26,16,516
	Ceiling as per the Act	N.A	N.A



**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (₹)
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify					NIL
	Total (1)					
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify					NIL
	Total (2)					
	Total (B)=(1+2)					NIL
	Total Managerial Remuneration (A + B)					NIL
	Overall Ceiling as per the Act					N.A

**C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total (₹)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22,77,698	NIL	22,77,698
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,15,160	NIL	1,15,160
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, (please specify)	NIL	NIL	NIL
5.	Others, (Festival allowance, Gratuity etc)	2,750	NIL	2,750
	Total	23,95,608	NIL	23,95,608

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fee imposed	Authority [RD /NCLT/Court]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

Thiruvananthapuram  
Date: 24.09.2024

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

**Sd/-**  
**CHAIRMAN**  
**Pinarayi Vijayan**  
**(DIN No : 01907262)**

## ADDENDUM TO DIRECTORS' REPORT

**Comments of the comptroller and auditor general of India under section 143(6)(b) of the Companies Act, 2013 on the financial statements of Vizhinjam International Seaport Limited, Thiruvananthapuram for the year ended 31 march 2023**

Sl No.	Comments of the Accountant General	Management Response
1	<p><b>A. Comments on Financial Position</b></p> <p>1. Balance Sheet as of 31 March 2023-Note 7-Property, Plant and Equipment -Capital Work in progress- ₹114.29 crore.</p> <p>The above head includes ₹100 crore paid towards cost of breakwater construction. As per the Concession Agreement dated 17 August 2015, the Authority (GoK) has to pay the Concessionaire (AVPPL) the lumpsum amount (₹1387.00 crore) in four equal installments (25% each on achieving 30%, 60%, 80% and 100% physical progress as certified by Independent Engineer (IE)). As the Independent Engineer had certified 30.03% completion of the project and certification accepted (20 February 2023) by the Company, an amount of ₹346.75 crore was payable towards 25% of lumpsum payment. The company did not provide for the balance amount which resulted in understatement of Capital Work in progress by ₹246.75 crore with corresponding understatement of Current Liabilities to the same extent.</p>	<p>Even though the total certified amount is 30.03% of the lumpsum amount, AVPPL is demanded for Rs.1,00,00,00,000/- only and invoices were received for the same as on 31.03.2023. When the further demand is raised by AVPPL, the same will be included in the next Financial Statements accordingly.</p> <p>As the financial statements for FY 23-24 are nearly complete, these changes will be included in the financial statements. Requesting to drop the comment.</p>

## **Independent Auditors' Report on Financial Statements**

**2022-23**

To

The Members  
Vizhinjam International Seaport Limited  
Thiruvananthapuram

We have audited the standalone financial statements of **Vizhinjam International Seaport Limited** ("the Company"), which comprise the Balance sheet as at 31st March 2023, the Statement of Profit and Loss Statement and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2023 and income and expenditure for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

### Emphasis of Matters

We draw attention to the following matters in the Notes to the Financial Statements:

1. During the year the company received the following specific grants for disbursal to parties

Date	Amount	G.O No.	Purpose
07.07.2022	Rs 5,34,00,000/-	GO Rt. No. 335_2022_F&P dt. 04.06.2022 & GO Rt. No. 3544_2022_Fin dt. 11.05.2022	Administrative Expense
08.11.2022	Rs 46,59,700/-	GO Rt. No. 3738_2022_Fin dt. 18.05.2022 & GO Rt. No. 405_2022_F&PD dt. 04.07.2022	For the Implementation of Material Recovery Facility Centre
21.01.2023	Rs 73,20,000/-	GO Rt. No. 104_2023_Fin dt. 06.01.2023 & GO Rt. No. 25_2023_F&P dt. 06.01.2023	Arbitration Case-Remuneration to the Counsel to the Authority
21.01.2023	Rs13,97,00,000/-	GO Rt. No. 8590_2022_Fin dt. 19.02.2022 & GO Rt. No. 23_2023_F&PD dt. 06.01.2023	Requirement for LAR cases and administrative expenses for FY 2022-23. Out of total grant received only Rs 12.72 crores pertains to acquisition of land and other capital expenditure. Rs 1.25 crores is with regard to administrative expenditure

All the above funds have been released by GoK to meet specific liabilities and therefore cannot be treated as capital reserve. In our opinion funds released to meet specific liabilities should have been accounted under separate heads in order to ascertain the real position of receipts, utilisation and the balance if any with the company as on balance sheet date.

2. Vide point no. 1, the company received Rs 12.72 crores from GoK for acquisition of land and other capital expenditures. The company credited this amount to the capital reserve without utilization, which in our view is not correct. Typically, when capital expenditure is incurred, the corresponding amount should be transferred to the capital reserve, reflecting the transaction on the asset side. During the year, Rs 7 crores was transferred to the Special Tahsildar for utilization, but did not receive any statement regarding the fund's utilization.
3. The Company conducted only one board meeting during the calendar year 2022 against four meetings as required.
4. The company is not consistently obtaining closing confirmation from all parties involved.
5. The Company has acquired a total of 216.61 acres of land from various parties for the establishment of Port facilities. The Title Deeds of these properties have been registered in the name of the company. While verifying the revenue records of the Govt on a test check basis it could be observed that the title of certain properties still appears in the name of previous owners. For instance:

SI No.	SY No.	Area	Vendor
1	715/14	12.301	Vijayan
2	714/7	5.088	Suja G.S.
3	715/21	5.236	Madhu/ Sheeja
4	715/11	1.160	Ajith V.N.
5	716/12	9.090	Ajith V.N.

6. The Board approved the Annual Financial Statements for the FY 2022-23 in its meeting on 25.06.2024. But Annual Financial Statements for FY 2020-21 and FY 2021-22 were adopted by the Company on 02/07/2024.
7. The following accounts hold balances outstanding for more than 3 years, which is the limitation period for lodging claim against/by the company.

Account	Balance	Dr/Cr
Provision for Centage Charges- KWA	Rs 39,00,063/-	Cr
Kerala Water Authority	Rs 9,77,514/-	Dr
STUP Consultants Pvt Ltd	Rs 73,83,435/-	Cr
D Ads	Rs 30,244/-	Cr
Trilegal	Rs 4,09,500/-	Cr



The company has not undertaken any study as to its realisability or claim and made any provision as to write off/write back.

8. The company does not maintain a separate register for Security Deposits received. Notably, Security Deposits totaling Rs 40,000/- from BMT Consultants in FY 2019-20 and Rs 19,187/- from Telcon in FY 2012-13 were received for the engagement of a Safety Consultant and interior works, respectively. Given that these deposits have surpassed the legal time limit for claims, we propose they be written back.

### **Information other than the financial statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. We have obtained all other information prior to the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained 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 Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 the mall 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 Government of India in terms of Section 143 (11) of the Act, and on the basis of such checks of the Books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure I" a statement on the matters specified in the paragraphs 3 and 4 of the said order.
2. As required by Section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure II" a statement on the matters on the directions and sub directions issued by the Comptroller and Auditor General of India.

As required by Section 143(3) of the Act, we report that:

1. 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.
2. 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.
3. The Balance Sheet and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
4. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. Being a Government Company, disqualification of directors as per Section 164(2) of the Act do not apply to the Company as per Notification No. GSR 463(E) dated 05<sup>th</sup> June 2015, issued by the Ministry of Corporate Affairs.

6. With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate report in “Annexure III”.
7. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has no pending litigations as on 31/03/2023 other than those mentioned in Note 18.3 in the Financial Statements.
  - ii. The company has not entered into any long-term contracts including derivative contracts.
  - iii. There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company as on 31/03/2023.

Place: Thiruvananthapuram

Date: 03/07/2024

UDIN: 24024791BKETEO8314

**ANNEXURE "I" TO THE INDEPENDENT AUDITORS' REPORT**

**Annexure referred to in Paragraph 1 under the heading 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Vizhinjam International Seaport Limited on the Stand-alone Financial Statements as of and for the year ended 31st March 2023.**

**1) Tangible and Intangible Assets.**

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) As informed to us, fixed assets have been physically verified by the management on an yearend basis. However, evidence of such verification was not produced for our verification. We have been informed that there have been no material discrepancies during such verification.
- (c) In our opinion and according to the information and explanations given to us, the title deeds of immovable property included in Property, Plant and Equipment are held in the name of the Company. However, on verification of Government website, it is observed that there are certain cases where the properties are still in the name of the vendor.
- (d) In our opinion and according to the information and explanation given to us, the company has not revalued its Property, Plant and Equipment (including Right of use of asset) or Intangible assets or both during the year.
- (e) As informed to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**2) Inventory and Working Capital**

- (a) The Company does not have any inventory. Hence, the provisions of clause 3(ii) of the Order are not applicable to the Company.

(b) The Company has not availed any Working Capital Limits in excess of Rs 5 Crores in aggregate from banks and financial Institutions at any time during the year. However the company had availed a loan from Kerala Financial Corporation for an amount of Rs 500 crores out of which Rs 100 crores were received on 31.03.2023.

**3) Loans Given by Company**

According to information and explanation given to us and verification of Books of Accounts, the company has not granted any loans or guarantees.

**4) Loans to Directors and Investment by the Company**

In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments or given any guarantee and security covered under Section 185 and 186 of Companies Act 2013.

**5) Deposit**

From the examination of books of accounts and explanations provided to us, the company has not accepted any Deposits from the public during the period of audit.

**6) Cost Accounting Records**

Cost records have not been prescribed by the Central government under subsection (1) of section 148 in respect of the product of the Company.

**7) Statutory dues**

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable except GST amounting to Rs. 11,81,590/- and GST Reverse Charges of Rs 12,197/-

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues as at 31st March 2023 which have not been deposited on account of a dispute are as follows;

Name of Statute	Nature of Dispute	Forum Where Dispute is pending	Amount Disputed	Amount Paid/Refund Adjusted	Net Amount Unpaid
Income Tax	Income Tax & Interest AY 2012-13	CIT Appeals	92,45,420	49,42,610	43,02,810
	Income Tax & Interest AY 2014-15		9,00,530	Nil	9,00,530
	Income Tax & Interest AY 2015-16		6,16,600	1,23,320	4,93,280
	Income Tax & Interest AY 2016-17		3,29,083	Nil	3,29,083
	Income Tax & Interest AY 2018-19		5,37,632	1,33,089	4,04,543
Service Tax	Service tax, interest and penalty for the FY 2010-11 and FY 2011-12	Service tax Appellate Tribunal, Bangalore	12,58,305	69,564	11,88,741
<b>TOTAL</b>			<b>1,44,76,995</b>	<b>62,67,507</b>	<b>82,09,488</b>

#### 8) Unrecorded income

In our opinion and according to information and explanations given to us, there are no instances of transactions not recorded in the books of accounts subsequently surrendered as income in Tax assessments.



**9) Repayment of Dues**

Based on our audit procedures and on the information and explanations given by the management, the company has borrowed monies from KFC on 31.03.2023. The due date of repayment has not yet started till balance sheet date.

**10) Public Offer**

According to the information and explanation given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under this clause of the Order is not applicable.

**11) Fraud and Whistleblower Complaints**

Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**12) Nidhi Company**

The Company is not a Nidhi Company and hence reporting under this clause of the Order is not applicable.

**13) Related Party Transactions**

As per notification no. GSR 463(E) dtd 5<sup>th</sup> June 2015, the Government companies are exempted from the provisions of Sec 188 of the Act in respect of contracts or arrangement entered into between the Government companies. The company has complied with the provisions of Sec 177 and Sec 188 of the Act in respect of transactions with the related parties and the details have been disclosed in the financial statements as required by the applicable accounting standards.

**14) Internal Audit System**

In our opinion, the Company has an internal audit system commensurate with the nature and size of the Company. Also, the comments of the Internal auditors in their report is considered by us in framing an opinion on the financial statements.

**15) Non Cash Transactions**

According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them.

**16) Registration under 45-IA of RBI Act**

The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**17) Cash Losses**

According to the information and explanations given to us and based on our examination of the records of the company, the company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

**18) Resignation of Statutory Auditors**

There has not been any resignation of Statutory Auditors during the year.

**19) Material Uncertainty**

On the basis of the examination of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statement and knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

**20) Transfer to fund specified under Schedule VII of Companies Act, 2013**

According to the information and explanations given to us and based on our examination of the records of the company, there has been no adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the standalone financial statements.

**21) Qualifications or Adverse Auditor remarks of Subsidiary Companies**

The Company has no Subsidiary Companies.

Place: Thiruvananthapuram

Date: 03/07/2024

UDIN: 24024791BKETEO8314

**ANNEXURE "II" TO THE INDEPENDENT AUDITORS' REPORT**

**The Annexure referred to in paragraph 2 under 'Report on Other legal and Regulatory Requirements' section of our report of even date to the members of Vizhinjam International Seaport Limited on the Accounts of the company for the year ended 31<sup>st</sup> March 2023.**

According to the information and explanations given to us we report as under:

Sl No	Directions/ Sub- Directions	Observations/ Findings
<b>Directions</b>		
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company has system to process all the accounting transactions through IT system.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	There are no cases of restructuring waiver/ write off of debts/ loans/ interest etc.
3	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Yes, grants received from Government of Kerala is utilised accordingly. Refer Audit Report point no. 1
<b>Sub Directions- Infrastructure</b>		
1	Whether the Company has taken adequate measures to prevent encroachment of idle land owned by it. Whether any land of the Company is encroached, under litigation, not put to use or declared surplus? Details may be provided.	Based on the information and explanations given to us, there are no idle land and there is no encroachment made on land owned by the company. There are 48 cases by the vendors of land for enhanced compensation pending.
2	Whether the system in vogue for identification of projects to be taken up under Public Private Partnership is in line with the guidelines/ policies of the Government? Comment on deviation, if any.	Yes, GoK has adopted the Model Concession Agreement published by the Planning Commission, Govt of India and executed the Concession Agreement with AVPPL for development of Vizhinjam Port dt 17.08.2015. It has applied for Viability Gap Funding of Govt. of India and in-principal approval is accorded for the same.
3	Whether system for monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/ losses from contracts etc., have been properly accounted for in the books.	The Concession Agreement between GoK & AVPPL contains provisions for monitoring the execution of works vis-à-vis the milestones. The impact of cost escalation, if any, revenues/ losses from contracts etc would only be on the parties to the agreement, i.e. GoK/ AVPPL and not VISL.

## ANNEXURE III TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Vizhinjam International Seaport Limited on the accounts for the year ended 31<sup>st</sup> March 2023)**

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

We have audited the Internal Financial Controls over financial reporting of Vizhinjam International Seaport Limited, (the company) as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

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

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

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

or procedures may deteriorate.

## Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the "Institute of Chartered Accountants of India" except in the areas of timely preparation and completion of Annual Financial Statement.

Place: Thiruvananthapuram

Date: 03/07/2024

UDIN: 24024791BKETEO8314



**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**BALANCE SHEET AS AT 31st MARCH 2023***Amount in Lakhs*

<b>Particulars</b>	<b>Note No.</b>	<b>AS AT 31st MARCH 2023</b>	<b>AS AT 31st MARCH 2022</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	<b>1</b>	1,200.00	1,200.00
Reserves and Surplus	<b>2</b>	69,940.37	75,925.53
<b>Non Current Liabilities</b>			
Other Long Term Liabilities	<b>3</b>	39,262.39	37,583.91
Long Term Provisions	<b>4</b>	11.28	4.20
<b>Current Liabilities</b>			
Other Current Liabilities	<b>5</b>	10,572.37	357.37
Short Term Provisions	<b>6</b>	1,844.71	43.56
<b>Total</b>		<b>1,22,831.14</b>	<b>1,15,114.58</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	<b>7</b>		
Tangible Assets		69,227.14	69,239.08
Intangible Assets		0.02	0.12
Capital Work in Progress		11,429.96	1,100.56
Long Term Loans and Advances	<b>8</b>	2,209.50	6,547.79
Other Non Current Assets	<b>9</b>	39,262.39	37,583.91
<b>Current Assets</b>			
Cash and Bank Balances	<b>10</b>	586.51	502.77
Short Term Loans and Advances	<b>11</b>	1.56	3.84
Other Current Assets	<b>12</b>	114.05	136.51
<b>Total</b>		<b>1,22,831.14</b>	<b>1,15,114.58</b>
Company Information & Significant Accounting Policies	<b>16 &amp; 17</b>		
Other Notes on Accounts	<b>18</b>		

See accompanying notes to Financial Statement

For and on behalf of the Board

Sd/-  
Dr. Divya S Iyer, IAS  
(DIN-10461924)  
Managing Director

Sd/-  
Shri. K.S. Srinivas IAS  
(DIN-01644154)  
Director

Sd/-  
Shri. Sreekumar K Nair  
(PAN-ABFPN8627A)  
Chief Executive Officer

Sd/-  
Sankaran Suma  
Company Secretary

Sd/-  
Girish Kumar M S  
Chief Finance Officer

Vide our report of even date  
For Krishnan Retna & Associates  
Chartered Accountants  
Firm Regn. No. 001536S

Thiruvananthapuram  
Date: 25.06.2024

Sd/-  
CA Retnakumaran Nair A, FCA, LLB  
Partner (M. No. 024791)

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023***Amount in Lakhs*

Particulars	Note No.	YEAR ENDED 31st MARCH 2023	YEAR ENDED 31st MARCH 2022
<b>INCOME</b>			
Revenue from Operations		-	-
Other Income	13	7,372.06	1,510.63
<b>Total Income (I)</b>		<b>7,372.06</b>	<b>1,510.63</b>
<b>EXPENSES</b>			
Employee Benefit Expenses	14	182.83	155.13
Other Expenses	15	7,135.57	1,291.63
Depreciation & Amortization Expenses	7	53.66	63.87
<b>Total Expenses (II)</b>		<b>7,372.06</b>	<b>1,510.63</b>
Profit / (Loss) before tax (III = I-II)		-	-
Tax Expense (IV)		-	-
Income Tax (relating to prior years)		-	-
Deferred Tax		-	-
Fringe Benefits Tax (relating to prior years)		-	-
Profit / (Loss) for the year (V = III-IV)		-	-
Earning per equity share:		-	-
Basic and diluted EPS		-	-
Company Information & Significant Accounting Policies	16 & 17		
Other Notes on Accounts	18		

See accompanying notes to Financial Statement

For and on behalf of the Board

Sd/-  
Dr. Divya S Iyer, IAS  
(DIN-10461924)  
Managing Director

Sd/-  
Shri. K.S. Srinivas IAS  
(DIN-01644154)  
Director

Sd/-  
Shri. Sreekumar K Nair  
(PAN-ABFPN8627A)  
Chief Executive Officer

Sd/-  
Sankaran Suma  
Company Secretary

Sd/-  
Girish Kumar M S  
Chief Finance Officer

Vide our report of even date  
For Krishnan Retna & Associates  
Chartered Accountants  
Firm Regn. No. 001536S

Thiruvananthapuram  
Date: 25.06.2024

Sd/-  
CA Retnakumaran Nair A, FCA, LLB  
Partner (M. No. 024791)

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023**

*Amount in Lakhs*

	<b>YEAR ENDED 31st MARCH 2023</b>	<b>YEAR ENDED 31st MARCH 2022</b>
<b>A. Cash Flows from Operating Activities</b>		
<b>Profit Before Tax</b>	-	-
Adjustments for:		
Depreciation, Amortisation & Obsolescence	53.66	63.87
Interest received on income tax refund	-	-
Interest on Electricity Deposit	-	(0.04)
Overstated depreciation of previous years written back	-	-
Profit on sale of Fixed Asset	-	-
<b>Operating Profit before working capital changes</b>	53.66	63.83
Adjustments for (increase) / decrease in operating assets:		
Short Term Loans and Advances	2.28	(1.58)
Other Current Assets	22.45	467.43
Adjustments for increase / (decrease) in operating liabilities:		
Long Term Provisions	7.09	1.85
Other Current Liabilities	10,213.67	79.28
Short Term Provisions	1,801.16	0.40
<b>Cash generated from Operations</b>	12,100.31	611.21
Income tax expense	-	-
Interest received on income tax refund	-	-
<b>Net Cash Flow from / (used in) Operating activities</b>	12,100.31	611.21
<b>B. Cash Flows from Investing Activities</b>		
Payment towards Capital Expenditure	(10,369.70)	(467.39)
Interest on Electricity Deposit	-	0.04
Advances / Deposits (given) / repaid / Adjustments	4,338.29	247.65
Bank Balance not considered as Cash & Cash Equivalents	(3.13)	(3.13)
<b>Net Cash Flow from / (used in) Investing activities</b>	(6,034.54)	(222.83)
<b>C. Cash Flows from Financing Activities</b>		
Funds received from GoK for the project	(5,985.16)	(309.63)
Funds received from GoK for Mobilisation Advance to AVPPL	-	-
Interest received on unutilised funds	-	-
<b>Net Cash Flow from Financing activities</b>	(5,985.16)	(309.63)
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	80.61	78.75
<b>Cash &amp; Cash equivalents at the beginning of the year</b>	413.52	334.77
<b>Cash &amp; Cash equivalents at the end of the year (Refer Note 10)</b>	494.13	413.52

Explanatory Notes:

- (i) Cash Flow Statement is prepared using Indirect Method as per AS-3: Cash Flow Statements.
- (ii) Bank Balance not considered as Cash & Cash Equivalents include a Fixed Deposit made as per directions of Honourable High Court of Kerala (Refer Note 10.1)
- (iii) Funds received from GoK for the project = Grant Received - Revenue Expense Allocation (Rs.138549225 - Rs.737065117)

For and on behalf of the Board

Sd/-  
Dr. Divya S Iyer, IAS  
(DIN-10461924)  
Managing Director

Sd/-  
Shri. K.S. Srinivas IAS  
(DIN-01644154)  
Director

Sd/-  
Shri. Sreekumar K Nair  
(PAN-ABFPN8627A)  
Chief Executive Officer

Sd/-  
Sankaran Suma  
Company Secretary

Sd/-  
Girish Kumar M S  
Chief Finance Officer

Vide our report of even date  
For Krishnan Retna & Associates  
Chartered Accountants  
Firm Regn. No. 001536S

Thiruvananthapuram  
Date: 25.06.2024

Sd/-  
CA Retnakumaran Nair A, FCA, LLB  
Partner (M. No. 024791)

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**NOTES ON BALANCE SHEET AS AT YEAR ENDED 31st MARCH 2023**

**Note No. 1 - Share Capital**

*Amount in Rupees*

Particulars	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
<b>Equity Share Capital</b>		
Authorised Capital 1200000 (P.Y.1200000) shares of Rs.100 each	<b>12,00,00,000</b>	<b>12,00,00,000</b>
Issued, subscribed and fully paid up 1200000 (P.Y.1200000) shares of Rs.100 each	<b>12,00,00,000</b>	<b>12,00,00,000</b>

1.1 Reconciliation of number of shares outstanding and the amount of share capital

*Amount in Rupees*

Particulars	AS AT 31st MARCH 2023		AS AT 31st MARCH 2022	
	No. of Shares	Rupees	No. of Shares	Rupees
Number of equity shares at the beginning of the year	12,00,000	12,00,00,000	12,00,000	12,00,00,000
Number of equity shares at the end of the year	12,00,000	12,00,00,000	12,00,000	12,00,00,000
Shares issued / other movements during the year	-	-	-	-

1.2 Terms / rights attached to Equity shares.

The company has only one class of equity shares having a par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share.

1.3 Shares in the company held by each shareholder holding more than 5 per cent shares as at the end of the year:

Name of Shareholder	AS AT 31st MARCH 2023		AS AT 31st MARCH 2022	
	No. of Shares	%	No. of Shares	%
Government of Kerala (GoK)	11,99,000	99.92%	11,99,000	99.92%

**Note No. 2 - Reserves and Surplus**

*Amount in Rupees*

Particulars	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
<b>I. Capital Reserve</b>		
Funds received from GoK and interest earned		
Opening Balance	8,19,36,20,390	8,22,45,83,178
Addition during the year	20,50,79,700	17,33,88,500
Resumption during the year	(6,65,30,475)	(5,34,26,018)
(i) Revenue expenses transferred to P & L Account	(73,70,65,117)	(15,09,25,267)
(ii) Lease rent receivable from Government of Kerala	(3)	(3)
Closing balance	<b>7,59,51,04,495</b>	<b>8,19,36,20,390</b>
<b>II. Surplus</b>		
Loss for the period upto 31-03-2016	(60,10,67,293)	(60,10,67,293)
<b>Total Reserves and Surplus (I + II + III)</b>	<b>6,99,40,37,203</b>	<b>7,59,25,53,098</b>

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

2.1 Purpose of Grand received from GoK for the current year

*Amount in Rupees*

Particulars	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
G.O.(Rt) No.405_2022_F&PD dt.04.07.2022 (Implimentation of Material Recovery Facility Center)	46,59,700	12,17,61,000
G.O.(Rt) No.23_2023_F&PD dt. 06.01.2023 (Land LAR cases and administrative charges)	13,97,00,000	49,87,500
G.O.(Rt)No.25_2023_F&P dt. 06.01.2023 (Remuneration to the Counsel to the Authority for Arbitration)	73,20,000	16,80,000
	-	4,16,00,000
		33,60,000
Add: Amount re-credited by government	5,34,00,000	-
G.O.(Rt) No.335_2022_F&PD dt.04.06.2022 (Administrative expense)		
Less: Amount taken back by Government	(6,65,30,475)	(5,34,26,018)
	13,85,49,225	11,99,62,482
Interest earned on unutilised grant	-	-
<b>Sub Total</b>	<b>13,85,49,225</b>	<b>11,99,62,482</b>

2.2 Funds received from GoK for implementation of Vizhinjam Seaport Project :

GoK, vide G.O. (Ms) No. 9/07/F&PD dt 09-03-2007 made VISL as the nodal agency for implementation of the Deepwater International Container Transshipment Terminal at Vizhinjam. On 16-01-2016, GoK & VISL has entered into an agreement and appointed VISL as the implementing agency to exercise its rights and perform its obligations under the Concession Agreement for and on behalf of the Government based on G.O. (Rt) No. 996/2015/F&PD dt 10-12-2015. As per the agreement, the Government shall pay for / reimburse to VISL all expenses incurred by VISL in accordance with the financial rules of the GoK for the discharge of the obligations of the Government by VISL as consideration. As such, expenses of revenue nature net of earnings during the year met out of the funds released by GoK is transferred to statement of P & L a/c for the year.

2.3 The entire interest income from deposits of unutilized funds received from GoK was treated as part of Capital Reserve under Reserves and Surplus. Interest received during the year is Rs. Nil.

2.4 Summary of funds received from GoK, interest earned, lease rent receivable & revenue expense transferred to P & L a/c is as follows:

*Amount in Rupees*

Particulars	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Funds received from GoK		
Opening Balance	9,52,87,12,154	9,40,87,49,672
Add: Funds received during the year	13,85,49,225	11,99,62,482
Total Receipt	9,66,72,61,379	9,52,87,12,154
Less: Share Capital issued in prior years	12,00,00,000	12,00,00,000
Less: Share Capital issued during the year	-	-
<b>Closing Balance (A)</b>	<b>9,54,72,61,379</b>	<b>9,40,87,12,154</b>
Interest earned treated as part of Capital Reserve		
Opening Balance	19,81,50,875	19,81,50,875
Add: Interest earned treated as part of Reserve during the year	-	-
<b>Closing Balance (B)</b>	<b>19,81,50,875</b>	<b>19,81,50,875</b>
Lease rent receivable from GoK		
Opening Balance	13	10
Add: Receivable for the year	3	3
<b>Closing Balance (C)</b>	<b>16</b>	<b>13</b>
Revenue expenses transferred to P & L Account		
Opening Balance	1,41,26,48,825	1,26,17,23,558
Add: Transfer during the year	73,70,65,117	15,09,25,267
<b>Closing Balance (D)</b>	<b>2,14,97,13,942</b>	<b>1,41,26,48,825</b>
<b>Balance in Capital Reserve (A + B - C - D)</b>	<b>7,59,56,98,296</b>	<b>8,19,42,14,191</b>

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**Note No. 3 - Other Long Term Liabilities***Amount in Rupees*

Particulars	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Mobilisation Advance Fund for Payment to AVPPL	2,92,60,00,000	2,92,60,00,000
Interest Payable to GoK on Mobilisation Advance to AVPPL	1,00,02,39,434	83,23,91,249
<b>Total Other Long Term Liabilities</b>	<b>3,92,62,39,434</b>	<b>3,75,83,91,249</b>

3.1 GoK has so far released an amount of Rs. 300 crore for disbursement of 1st and 2nd instalment of Mobilisation Advance to Adani Vizhinjam Port Pvt Ltd (AVPPL) as required by clause 12.6.8 of Concession Agreement executed between GoK & AVPPL on 17-08-2015. Out of which 7.4 crore has been taken back on 31.03.2020. As per clause 12.6.7, Mobilisation Advance carries interest at the bank rate notified by RBI. Interest due to GoK as on 31-03-2023 amounts to Rs. 100,02,39,434/-.

**Note No. 4 - Long Term Provisions***Amount in Rupees*

Particulars	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Provision for Gratuity	11,28,465	4,19,890
<b>Total Non Current Liabilities</b>	<b>11,28,465</b>	<b>4,19,890</b>

4.1 The cost of providing gratuity benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at balance sheet date.

**Note No. 5 - Other Current Liabilities***Amount in Rupees*

Particulars	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Payable for Capital Expenses	52,15,024	50,82,505
Other Expenses Payable	2,70,62,835	2,22,43,448
Statutory Dues Payable	1,91,94,334	37,42,462
Security Deposits	5,56,223	1,10,687
Income Received in Advance	-	-
Other Liabilities	1,00,52,08,956	45,58,371
<b>Total Other Current Liabilities</b>	<b>1,05,72,37,372</b>	<b>3,57,37,474</b>

**5.1 Statutory Dues Payable :**

Statutory dues payable consists of IT-TDS-Rs. 802169 (P.Y. Rs. 956244/- ), GST-Rs. 1232063.4 (P.Y. Rs. 2485547/- ), GST-TDS-Rs. 16963980.58 (P.Y. Rs. 91377/- ), PF-Rs. 193413 (P.Y. Rs. 205875/- ), ESI-Rs. 2208 (P.Y. Rs. 3419/- ), EWF-Rs. 0 (P.Y. Rs. 0/- ), Prof. Tax-Rs. 0 (P.Y. Rs. 0/-), MEDICEP-Rs. 500/- (P.Y. Rs. Nil/- ) which were remitted after 31-03-2023.

As per Rule 42 of the GST Act, the company is not taking any ITC credit except Specific credit on inputs/input services attributable exclusively for making taxable supplies.

5.2 Payable for Capital expenses include an amount of Rs. 50 lakhs being Vinod's share in land in LAC 496 (C)/2010 & resurvey number 606/4 in Block No. 14 in Vizhinjam Village. There were other three joint owners who were settled with their share @ Rs. 62,92,285 each. However Vinod was paid only an amount of Rs. 12,92,285 and Rs. 50 lakh is deposited with State Bank of India, Trivandrum City Branch, Statue, Thiruvananthapuram vide FD No. 671-85-443159 since he has revenue recovery proceedings pending and as directed by the Honourable High Court of Kerala in order WP (C) No. 10971/2012 (V) dt 29th May 2012. Also by way of Judgement WP (C) No. 34100 of 2011 dated 16-03-2017 court has given direction to the Deputy Excise Commissioner, Trivandrum to consider party's objection to recovery proceedings and until such time the demand is not enforceable against him. Interest on the FD upto 31-03-22 amounting to Rs. 44,45,265/- is included in other liabilities shown above to be appropriated pending direction from the High Court.

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

5.3 Other Expense advance accounted on due basis, based on Utilisation Certificate received from Matsyafed Rs. 18,90,850/-

**Note No. 6 - Short Term Provisions**

Particulars	Amount in Rupees	
	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Provision for Expenses	18,44,71,389	43,55,838
<b>Total Short Term Provisions</b>	<b>18,44,71,389</b>	<b>43,55,838</b>

**6.1 Provision for Expenses – Provision for KSEB GIS Substation Execution charge**

The company has paid Rs. 50,99,25,435/- to KSEB as 100% work advance for construction of power evacuation lines and connected bays for 5 MW power during port construction phase and construction of 220 KV lines to evacuate 35 MW power for short term use and 75 MW power for long term use as per MOU dated 14-02-2011. Statement of account for an amount of Rs. 5,70,35,092 was received for the period upto 31-03-15 and still an amount of Rs. 45,28,90,343 is lying as advance with KESB. A final bill from KSEB has been received on 01.04.2024 for Rs. 63,22,81,669/- including addition liability of Rs.17,93,91,326/-.

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**Note No. 7 - Property, Plant and Equipment**

Description	Gross Block				Depreciation / Amortisation			Net Block	
	AS AT 31st MARCH 2022	Additions / Adjustments	Disposals / Adjustments	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022	For the year	Disposals / Adjustments	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
<b>7.1 Tangible assets</b>									
Land	6,88,63,05,587	36,34,682	-	6,88,99,40,269	-	-	-	6,88,99,40,269	6,88,63,05,587
Plant and Equipments	7,81,15,363	-	-	7,81,15,363	4,91,74,432	29,13,260	-	2,60,27,671	2,89,40,931
Furniture and Fixtures	1,37,24,108	44,645	-	1,37,68,753	58,11,703	20,24,179	-	59,32,871	79,12,405
Vehicles	13,46,398	-	-	13,46,398	12,81,700	-	-	64,698	64,698
Office Equipments	11,99,730	2,72,141	-	14,71,871	10,96,351	92,647	-	2,82,873	1,03,379
Computer and Accessories	34,98,072	2,10,500	-	37,08,572	29,16,767	3,26,272	-	4,65,534	5,81,306
<b>Total Tangible Assets</b>	<b>6,98,41,89,258</b>	<b>41,61,968</b>	<b>-</b>	<b>6,98,83,51,226</b>	<b>6,02,80,953</b>	<b>53,56,358</b>	<b>-</b>	<b>6,92,27,13,915</b>	<b>6,92,39,08,305</b>
<b>7.2 Intangible assets</b>									
Computer Software	14,62,510	-	-	14,62,510	14,50,983	9,262	-	2,265	11,527
<b>Total Intangible Asset</b>	<b>14,62,510</b>	<b>-</b>	<b>-</b>	<b>14,62,510</b>	<b>14,50,983</b>	<b>9,262</b>	<b>-</b>	<b>2,265</b>	<b>11,527</b>
<b>7.3 Capital Work in Progress</b>									
Break Water Construction	-	1,00,00,000	-	1,00,00,000	-	-	-	1,00,00,000	-
Rail Connectivity	9,19,28,185	5,10,68,107	-	14,29,96,292	-	-	-	14,29,96,292	9,19,28,185
Water Supply System	1,81,27,744	(1,81,27,744)	-	-	-	-	-	-	1,81,27,744
Interior Furnishing - HO	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>7,09,57,07,697</b>	<b>1,03,29,40,363</b>	<b>-</b>	<b>8,13,28,10,028</b>	<b>6,17,31,936</b>	<b>53,65,620</b>	<b>-</b>	<b>8,06,57,12,472</b>	<b>7,03,39,75,761</b>
<b>Previous Year</b>	<b>7,05,02,70,382</b>	<b>4,54,37,315</b>	<b>-</b>	<b>7,09,57,07,697</b>	<b>5,53,45,049</b>	<b>63,86,887</b>	<b>-</b>	<b>7,03,39,75,761</b>	<b>6,99,49,25,333</b>

Amount in Rupees



**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

7.4 Agewise details of Capital Work In Progress as on 31-03-2023

Particulars	less than 1 year	1 to 2 year	2 to 3 year	more than 3 year	Total
Break Water Construction	1,00,00,00,000	-	-	-	1,00,00,00,000
Rail Connectivity	-	-	-	14,29,96,292	14,29,96,292
<b>TOTAL</b>	<b>1,00,00,00,000</b>	<b>-</b>	<b>-</b>	<b>14,29,96,292</b>	<b>1,14,29,96,292</b>

7.5 The cost of land includes building / other structures and trees and expenditure incurred including salary and other expenses to land department in connection with purchase of land. No depreciation has been charged on building / structures as the same has to be dismantled and has been treated as part of cost of land. The components of cost of land purchased during the year are as follows:

Particulars	Amount in Rupees	
	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Cost of land (Opening)	6,88,63,05,587	6,86,89,82,585
<i>Additions during the year :</i>		
Value of land	-	1,43,78,393
Value of buildings / structures	-	-
Value of trees	-	-
R & R Package	-	-
LA Expenditure	36,34,682	29,44,609
<b>Cost of land (Closing)</b>	<b>6,88,99,40,269</b>	<b>6,88,63,05,587</b>

7.6 Details of area of land (in acres) acquired for Port development is as follows:

Particulars	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Opening Balance	220.09	220.09
Addition during the year	-	-
Less : Area for Seafood Park disclosed separately in Note 7.7	(3.48)	(3.48)
<b>Total Area in Acres</b>	<b>216.61</b>	<b>216.61</b>

Out of 216.61 acres of land procured by the company for port development, an area of 203.68 acres (82.4703 Ha) ; 9.41 acres (3.8106 Ha) & 3.26 acres (1.3174 Ha) of land were leased to GoK on 18-11-2015 ; 30-11-2018 & 08-11-2019 respectively for a consideration of Re. 1 per annum each, for providing right of way to AVPPL for construction and operation of Port in line with Article 10 of the Concession Agreement entered into between GoK and AVPPL.

7.7 A total area of 5.62 acres of land was purchased for resettlement of land owners with building being transferred to the company for Port development. An area of 4.50 acres of land was allotted to 90 people for Resettlement & Rehabilitation package announced by the Government vide GO (MS) No 42/10/F&PD dt 29-05-2010 and Nil pending to be allotted as on 31-03-23. In this, 2 plots totalling to 0.10 acres of land is available for allotment (not handed over) and balance 1.02 acres represent road and common area. The total cost of land and rehabilitation expenses upto 31-03-2023 is capitalised in line with Accounting Standard 10 (Property, Plant and Equipment).

7.8 An area of 3.48 acres of land is purchased for setting up sea-food park as part of social welfare measure.

7.9 Company has applied the useful life as specified in Schedule II to the Companies Act, 2013 except in cases as disclosed in Accounting Policy on Depreciation. Accordingly the unamortised carrying value as on 01-04-2014 is being depreciated over the revised / remaining useful lives.

**Note No. 8 - Long Term Loans and Advances**

Particulars	Amount in Rupees	
	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
<b>Unsecured, considered good</b>		
Capital Advances	20,74,80,965	64,14,37,692
Security Deposits	1,51,352	1,18,264
Income Tax Refund Due	1,32,48,076	1,31,53,290
Service tax Pre deposit	69,564	69,564
<b>Total Long Term Loans and Advances</b>	<b>22,09,49,957</b>	<b>65,47,78,810</b>

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

8.1a – Capital Advances – Advance to Kerala State Electricity Board (KSEB)

The company has paid Rs. 50,99,25,435/- to KSEB as 100% work advance for construction of power evacuation lines and connected bays for 5 MW power during port construction phase and construction of 220 KV lines to evacuate 35 MW power for short term use and 75 MW power for long term use as per MOU dated 14-02-2011. Statement of account for an amount of Rs. 5,70,35,092 was received for the period upto 31-03-15 which was transferred to Project expense and still an amount of Rs. 45,28,90,343 is lying as advance with KESB. A final bill from KSEB has been received on 01.04.2024 for Rs. 63,22,81,669/- including addition liability of Rs.17,93,91,326/-. Since the project is completed, this amount is transferred to Project Expense.

8.1b – Capital Advances – LA Advance with Spl. Tahasildar

An amount of Rs. 7,10,67,979/- is lying as Land Advance for Acquisition (LAR)\_Special Tahsildar as on 31-03-2023 to be utilized for acquisition of land. As on 01-04-2019, an amount of Rs. 8,21,33,176/- was deposited in Neyattinkara sub court as per directions towards enhanced compensation in Land acquisition cases. Further an amount of Rs. 74,10,110/- was deposited during the year. Total amount capitalised capitalised to Land Account on final settlement through Court amounts to Rs. 8,94,95,226. The balance as on 31-03-2023 in Land Advance for Court Enhancement\_Special Tahsildar account is Rs. 13,67,16,060/-

8.2 Income Tax Refund Due :

The company is a nodal agent operating out of funds received from Government which are specifically earmarked for implementation of Port. The interest income earned out of unutilised funds are in the nature of capital receipt and were credited to capital reserve account. However income tax assessments from AY 2010-11 to AY 2013-14 were completed by considering interest as income chargeable to tax. Appeals were made before CIT (Appeals) and finally before ITAT, Kochi. Company's stand was accepted by ITAT and received a favourable order for the AY 2010-11 dt 15-06-2016. Similarly for AY 2009-10 the company received a favourable order from CIT, Thiruvananthapuram on a revision petition u/s 264. This stand is now accepted by CIT (Appeals) for AY 2011-12 & AY 2013-14. For subsequent assessment years, the agricultural income which is exempt from tax and other income were subjected to tax without properly offsetting the expenses incurred, for which appeals are pending before CIT (Appeals). A summary of assessment proceedings for various assessment years are as follows:

No	Particulars		Tax & interest demand / (Refund) as per order	Prepaid tax as per accounts	Remarks
1	AY 2008-09:- Rectification order u/s 154 dt 25-01-16		(11,38,060)		- Refundable amount of Rs. 11,38,060 as per order is adjusted against tax demand of AY 2012-13.
2	AY 2009-10:- Order of Assessing Officer u/s 143(1)(a) dt 28-03-11, 143(1)(b) dt 16-12-11 & order dt 18-11-15 giving effect to Commissioner of Income tax order u/s 264 dt 31-03-15.		(30,29,242)	21,38,852	Refundable amount of Rs. 8,90,390 as per order is adjusted against tax demand of AY 2012-13. Rs. 21,38,852 represent refund amount not received by the company.
3	AY 2011-12:- Commissioner of Income Tax (Appeals) order u/s 250 dt 15-10-19.		4,04,190	(4,04,190)	The company filed an appeal before CIT (Appeals) against the Assessment order on 27/03/2014 and refund issued as per order dt. 27.12.2019
4	AY 2012-13:- Order of Assessing Officer u/s 154 dt 13-05-2019.		92,45,420	49,42,610	Net tax payable as per IT is Rs. 43,02,810/- . The company filed an appeal before the CIT (Appeals), Thiruvananthapuram on 30-04-2015 for refund of prepaid taxes.
5	AY 2013-14:- Order of CIT (Appeals) u/s 250 dt 05-07-2019.		-2,15,86,900	59,39,976	Refundable amount of Rs. 59,39,976/- as per order is adjusted against tax demand of AY 2011-12, Rs. 4,04,190/-, AY 2012-13. Rs. 43,02,810/- , AY 2014-15 Rs. 9,00,530/- & AY 2016-17 Rs. 3,29,080/- as per 26AS (AY 2020-21).
6	AY 2014-15:- Order of Assessing Officer u/s 143(3) dt 05-12-16.		9,00,530		- The company filed an appeal before CIT (Appeals) against the Assessment order on 28-01-2017.
7	AY 2015-16:- Order of Assessing Officer u/s 143(3) dt 06-12-17.		6,16,600	1,23,320	The company filed an appeal before CIT (Appeals) against the Assessment order on 02/01/2018.
8	AY 2016-17:- Order of Assessing Officer u/s 143(3) dt 18-12-18.		3,29,083		- The company filed an appeal before CIT (Appeals) against the Assessment order on 17-01-2019.

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

9	AY 2018-19:- Order of Assessing Officer u/s 154 dt 05-05-20.		5,37,632	1,33,089	The company filed rectification petition to the assessment officer on 22-01-2021.
10	AY 2019-20:- Order pending		0	1,09,091	The company is filing rectification petition us 264 to the assesment officer.
11	AY 2020-21 :- Order of Assessing Officer u/s 154 dt 10-01-23.		6,38,670	48,169	The company filed rectification petition to the assessment officer on 17-01-2023. Company Received a no due order dt. 07.08.2023
12	AY 2021-22 :- Order of Assessing Officer u/s 154 dt 10-01-23.		82,080	26,404	The company filed rectification petition to the assessment officer on 17-01-2023. Company Received a no due order dt. 31.05.2023

Gross tax demand (Sl no. 4,6,7,8 & 9 ) in above table	1,16,29,265
Less: Prepaid taxes as per assessment orders	(1,13,22,659)
Net tax liability based on orders passed	<u>3,06,606</u>

Prepaid taxes as per books of accounts	1,32,48,076
Less: Refund receivable / received during subsequent year	(20,91,420)
Less: TDS Receivable (Assessment to be completed AY 2019-20)	(1,43,401)
Less: TDS Receivable 2022-23 (Assessment to be completed AY 2019-20)	(94,786)
Less: TCS for the year	-
Add: Demand for AY 2011-12 adjusted by IT against refund due	4,04,190
Prepaid taxes as per assessment orders for AY 2011-12 to 2018-19	<u>1,13,22,659</u>

As the company has already received favourable order from CIT for AY 2009-10, from ITAT for AY 2010-11 and from CIT (Appeals) for AY 2011-12 & AY 2013-14 admitting the treatment adopted by company as correct and considering the merits in the appeal before CIT (Appeals) for rest of the assessment years and as the cases are on same lines, no provision has been made in the accounts for the years for rejection of income tax refund claimed / demand raised on the company.

8.3 The Service Tax Department – Audit Circle, Thiruvananthapuram carried out service tax audit for the periods from April 2010 to March 2015 and the company was served with Show Cause Notice No. 15/2015 ST dated 31-08-2015 on applicability of service tax in the matter of payments made to IFC amounting to USD 150,000 (Rs. 67,53,750) during the period 2010-11 & 2011-12. It was contended by the Department that the services received fall under “Management or Business Consultant Services” as per section 65 (105) (r) of the Finance Act, 1994 and the company is liable to service tax being services received from outside India. Company filed a reply before Additional Commissioner (AC) against the demand which was not considered favourably and liability was confirmed on the company vide Order no 68/2015 (ADC) dt 15-12-2015. The company filed an appeal before Commissioner (Appeals) which was dismissed on 24-11-2017. The company filed an appeal before the Service Tax Appellate Tribunal against the order of Commissioner (Appeals). As required by Section 83 of Finance Act 1994 read with Section 34F of Central Excise Act 1944 a pre deposit of 7.50 % of tax demanded (Rs. 6,95,637 x 7.50 %) was remitted for filing appeal. Total demand including interest and penalty up to 25-06-2024 works out to Rs. 28,16,434/-. A payment of Rs. 17,391/- (Management Consultant Services Tax Collections Rs.16885/-, Education Cess on Service Tax Rs.338/- and Education Cess on Secondary & Higher Education - Tax Collection Rs.168/-) as pre-deposit for filing appeal before Service Tax Tribunal has been made on 23-03-2019. On 09-12-2019, as per "Subka Viswas" scheme, the company filed on One Time Settlement to the Thiruvananthapuram Commissionerate Chalai Range for final discharge.

**Note No. 9 - Other Non Current Assets**

Particulars	Amount in Rupees	
	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Adani Vizhinjam Port Private Limited-Mobilisation Advance	2,92,60,00,000	2,92,60,00,000
Interest Accrued on Mobilisation Advy to AVPPL	1,00,02,39,434	83,23,91,249
<b>Total Other Non Current Assets</b>	<b>3,92,62,39,434</b>	<b>3,75,83,91,249</b>

9.1 An amount of Rs. 292.60 crores is released to AVPPL out of funds received from GoK towards 1st & 2nd instalment of Mobilisation Advance on behalf of GoK in accordance with clause 12.6.8 of Concession Agreement. As per clause 12.6.7, interest on this Mobilisation Advance carries interest at the Bank rate notified by RBI. Interest due to GoK as on 31-03-2023 amounts to Rs. 1,00,02,39,434/-.

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**Note No. 10 - Cash and Bank Balances**

Particulars	Amount in Rupees	
	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Cash and Cash Equivalents		
Cash in hand	58,718	49,933
Balances with Banks		
In Current Accounts	4,92,27,224	4,03,18,623
In Treasury Savings Bank Accounts	1,27,049	9,83,600
In Deposit Accounts with maturity less than 3 months	-	-
Other Bank Balances		
Earmarked balances with banks	92,37,895	89,24,880
<b>Total Cash and Cash Equivalents</b>	<b>5,86,50,886</b>	<b>5,02,77,036</b>

10.1 Earmarked balances with banks represents an amount of Rs. 50 lakhs deposited with State Bank of India, Statue, Thiruvananthapuram by FD No. 671-85-443159 plus interest accrued as on 31-03-23 for settling against balance payable for purchase of land in LAC 496 (C)/2010 & resurvey number 606/4 in Block No. 14 in Vizhinjam Village from Vinod and others as directed by the Honourable High Court of Kerala in order WP (C) No. 10971/2012 (V) dt 29th May 2012.

**Note No. 11 - Short Term Loans and Advances**

Particulars	Amount in Rupees	
	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
<b>Unsecured, considered good</b>		
Short Term Loans and Advances		
Prepaid Expenses	4,20,525	3,38,936
GST Cash Ledger	12,558	-
Other Advances	(2,77,108)	45,196
<b>Total Short Term Loans and Advances</b>	<b>1,55,975</b>	<b>3,84,132</b>

**Note No. 12 - Other Current Assets**

Particulars	Amount in Rupees	
	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Interest accrued on Electricity Deposit	-	-
Interest accrued on Bank Fixed Deposit	-	-
Rail Vikas Nigam Ltd. (RVNL) Deposit amount receivable	-	-
Matsyafed	18,90,850	18,90,850
Adani Vizhinjam Port Private Limited	93,53,588	1,15,98,650
GST Credit receivable	-	360
Grant receivable	-	-
Stipend claim receivable	1,60,700	1,60,700
<b>Total Other Current Assets</b>	<b>1,14,05,138</b>	<b>1,36,50,560</b>

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**NOTES ON STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023****Note No. 13 - Other Income***Amount in Rupees*

<b>Particulars</b>	<b>YEAR ENDED 31st MARCH 2023</b>	<b>YEAR ENDED 31st MARCH 2022</b>
Funds Received from GoK allocated for revenue expenses (Ref Note 2.1)	73,70,65,117	15,09,25,267
Overstated depreciation of previous years written back	-	-
Sale of Usufructs	-	78,814
Sale of Trees	-	-
Interest on Electricity Deposit	-	3,534
Interest Received on Income Tax	-	-
Lease Rent from Government of Kerala	3	3
Profit on Sale of Asset	-	-
Prior Period items	-	-
Other Misc Income	1,40,770	55,057
<b>Total Other Income</b>	<b>73,72,05,890</b>	<b>15,10,62,675</b>

**13.1 Income in Foreign currency***Amount in Rupees*

<b>Particulars</b>	<b>YEAR ENDED 31st MARCH 2023</b>	<b>YEAR ENDED 31st MARCH 2022</b>
Earnings in Foreign Currency	Nil	Nil

**Note No. 14 - Employee Benefits Expenses***Amount in Rupees*

<b>Particulars</b>	<b>YEAR ENDED 31st MARCH 2023</b>	<b>YEAR ENDED 31st MARCH 2022</b>
Salaries and Wages	1,58,12,867	1,35,78,561
Contribution to Provident & Other funds	19,32,492	13,08,159
Staff Welfare Expenses	5,38,040	6,25,929
<b>Total Employee Benefits</b>	<b>1,82,83,399</b>	<b>1,55,12,649</b>

**Note No. 15 - Other Expenses***Amount in Rupees*

<b>Particulars</b>	<b>YEAR ENDED 31st MARCH 2023</b>	<b>YEAR ENDED 31st MARCH 2022</b>
Electricity Charges	6,10,176	5,38,537
Rent	35,89,440	35,71,313
Professional and Consultancy fees	1,59,62,459	41,50,394
Out of Pocket Exp to Consultants	-	-
Office Expenses	44,16,524	35,12,064
Payment to Auditors (Ref. 15.2 below)	1,37,175	1,40,125

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

Communication Expenses	3,48,549	2,45,756
Printing and stationery	6,45,614	3,73,830
Prior Period Items	7,19,531	13,400
Repairs and Maintenance	5,02,757	4,65,734
Vehicle Running Expenses	1,30,490	26,572
Car Hiring Charges	51,33,576	27,23,642
Travelling & Conveyance Expenses	6,55,838	2,11,998
Conference and Seminar Expenses	14,98,265	3,69,559
Recruitment Expenses	2,29,737	-
Rates and Taxes	39,424	15,234
Bank Charges	1,08,057	97,999
Interest on Loan	2,56,164	-
Security Charges	18,83,364	16,03,620
Advertisement Expenses	11,23,009	12,04,540
Legal Fees	9,38,541	1,64,34,799
Arbitration Expense	2,12,50,162	19,61,748
Property Plant & Equipment - Written off	-	-
Operations & Maintenance - Water Supply System	-	-
Livelihood compensation for Project affected persons	5,60,000	7,60,60,266
Financial Assistance to Self Help Group	-	-
Other Project Expenses	65,19,87,871	1,54,42,009
Guarantee Commission	20,548	-
Social Welfare Expenses	8,09,600	-
<b>Total Other Expenses</b>	<b>71,35,56,871</b>	<b>12,91,63,139</b>

15.1 Expenditure in Foreign currency:

*Amount in Rupees*

Particulars	YEAR ENDED	YEAR ENDED
	31st MARCH	31st MARCH
	2023	2022
Expenditure in Foreign Currency	NIL	Nil

15.2 Payment to Auditors

*Amount in Rupees*

Particulars	YEAR ENDED	YEAR ENDED
	31st MARCH	31st MARCH
	2023	2022
Statutory Audit fee	1,15,000	1,18,750
GST / reversal	20,700	21,375
Other Services - GST Audit	-	-
Reimbursement of Expenses	1,475	-
<b>Total</b>	<b>1,37,175</b>	<b>1,40,125</b>

15.3 As per various GO's Government has approved 1st and 2nd stage report on compensation to Fishermen and of resort workers submitted by Appeal Committee to Livelihood Impact Appraisal Committee (AC LIAC). As on 31-03-2023 a total of Rs. 99.42 crore was paid as compensation to rehabilitate 262 Mussel/Lobster workers, 917 Shoresiene workers, 211 resort workers & kerosene to 2,056 engines.

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**Note No. 16. Company Information:**

Vizhinjam International Seaport Limited (VISL), a company fully owned by GoK is incorporated on 15th December 2004 under the Companies Act, 1956 as a Special Purpose Company (SPV) that acts as an implementing agency for development of Vizhinjam Port into an International Container Transshipment Terminal. GoK intends to develop a Greenfield container hub port in Vizhinjam, near the State capital which would trigger substantial infrastructure and socio economic developments, not only in the State of Kerala but also in the Nation as a whole. Under the Model adopted by GoK, the dredging and reclamation, berth, superstructure, equipment and the port operations would be undertaken by a Private Developer cum Operator and the breakwater and Fishing Harbour construction would be undertaken by the Government as Funded work. In this regard GoK has entered into a Concession Agreement with AVPPL on 17-08-2015 and the Project is developed in Landlord-PPP model on design, build, finance, operate and transfer (“DBFOT”) basis with AVPPL as the Concessionaire to construct and operate the Port for a term of 40 years which include 4 years construction period. The SPV Company (VISL) would address land acquisition / purchase and all supporting external infrastructure requirements for Vizhinjam Port project under directions of GoK. On 16-01-2016, GoK & VISL has entered into an agreement and appointed VISL as the implementing agency to exercise its rights and perform its obligations under the Concession Agreement for and on behalf of the Government based on G.O. (Rt) No. 996/2015/F&PD dt 10-12-2015.

**Note No. 17 - Significant Accounting Policies**

**i) Basis of preparation of Financial Statements**

The financial statements are prepared on accrual basis under the historical cost convention on a going concern basis, in accordance with Generally Accepted Accounting Principles (GAAP), the accounting standards prescribed under section 133 of the Companies Act 2013 read with rule 7 of the Companies (Accounts) Rules 2014 and other applicable provisions of the Companies Act, 2013 / Companies Act, 1956, as adopted consistently by the company.

**ii) Use of Estimates**

The preparation of the financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and assumptions and such differences are recognized in the period in which the results are crystallized.

**iii) Accounting of funds received from Government**

GoK & VISL has entered into an agreement on 16-01-2016 and appointed VISL as the implementing agency for and on behalf of the Government to exercise its rights and perform its obligations under the Concession Agreement executed between GoK and AVPPL. As per the agreement, the Government shall pay for / reimburse to VISL all expenses incurred by VISL in accordance with the financial rules of the GoK for the discharge of the obligations of the Government by VISL as consideration. Funds released by GoK to VISL for this purpose includes expenses of capital nature as well as revenue nature. VISL is a nodal agent and do not have a profit share attributed for the services. As such expenses of revenue nature net of earnings met out of the funds released by GoK is credited to statement of P & L a/c for the year. Funds relating to Balance Sheet items are presented as Capital Reserve.

Interest income earned on unutilised funds received from GoK is treated as part of Capital Reserve grouped under Reserves and Surplus.

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**iv) Revenue Recognition**

Revenue in nature of other income is recognised only when significant risks and rewards of ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection.

**v) Property, Plant and Equipment**

Tangible Assets are carried at cost less accumulated depreciation and impairment loss if any. The cost of assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Software purchased along with the related hardware are capitalized and depreciated at the rates applicable to computer equipment. When an asset is derecognised, cost and related depreciation are removed from books of accounts and gain or loss arising therefrom are measured as the differences between the net disposal proceeds and the carrying amount of the assets and are recognised in the Statement of Profit and loss account.

Cost of buildings, trees and other structures, which will be dismantled for the construction of various infrastructure facilities for the project, acquired along with the acquisition of land is treated as part of cost of land and no depreciation is provided on such assets.

Intangible Assets are carried at cost less accumulated amortisation. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

**vi) Capital work-in-progress**

Projects under which assets are not ready for use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

**vii) Capitalization of Project Expenditure**

The Company is a Special Purpose Vehicle (SPV) entrusted with the main objective of providing all supporting infrastructure like rail connectivity / water supply / electricity etc, for the Vizhinjam Seaport Project as well as other development needs like Logistic Centre / Free Trade Zone / Warehousing Zone and allied projects. These projects are not only highly capital-intensive one but also of a capital nature. Expenses of a totally general and administrative in nature are written off to the Profit and Loss Account. This is in accordance with the basic Generally Accepted Accounting Principles (GAAP).

**viii) Impairment**

An asset is treated as impaired when the carrying amount of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.



**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**ix) Depreciation and Amortization**

Depreciation on Tangible Assets is provided on written down value method from the date the asset is put to use by adopting useful life as prescribed in Schedule - II to the Companies Act, 2013 except in respect of Water Treatment Plant and allied pipes. In respect of Water Treatment Plant and allied pipe lines, Management estimated the useful life as 30 years based on technical advice. Fixed assets costing not more than Rs.5,000 each are depreciated at the rate of 95 % (less 5 % residual value) in the year of capitalization.

Intangible assets are amortized over their estimated useful lives of three years on a straight line basis, commencing from the date asset is available to the company for its use.

**x) Provision for Taxation**

On 16-01-2016, GoK & VISL has entered into an agreement and appointed VISL as the implementing agency to exercise its rights and perform its obligations under the Concession Agreement for and on behalf of the Government. As per the agreement, the Government shall pay for/reimburse to VISL all expenses incurred by VISL in accordance with the financial rules of the GoK for the discharge of the obligations of the Government by VISL as consideration. The company acting as a nodal agent of GoK receives funds from the Government for meeting expenses which are specified in the G.O. It does not include profit share. There will not be any tax liability and hence accounting treatment for taxes on income do not apply to the company.

Assessment for past years were completed by raising demand against the company which are in appeal at various stages. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken by tax authorities with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**xi) Foreign currency transactions**

Foreign currency transactions are recorded using the exchange rate prevailing on the dates of the respective transaction. Exchange differences arising on foreign currency transactions settled during the year are recognized in the Statement of Profit and Loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the closing exchange rates on that date. The resultant exchange differences are recognized in the Statement of Profit and Loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**xii) Earnings per share**

The basic earnings / (loss) per share is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

**xiii) Employee Benefits**

Employee benefits include contributions to provident fund, employee state insurance scheme, gratuity fund and compensated absences.

**(a) Short term employee benefits:**

Short-term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**(b) Post employment benefits:**

Defined Contribution Plan:- Contributions to Provident Fund and Employee State Insurance Scheme are Defined Contribution Plan as the company does not carry any future obligations and are charged as expense based on contribution required to be paid on a monthly basis as and when services are rendered by the employees.

Defined Benefit Plan:- Employee benefits under defined benefit plan in the form of gratuity is recognised based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the projected unit credit method. Actuarial liability in excess of respective plan assets is recognised during the year and in case the plan assets exceed the Actuarial Liability, no further provision is considered. Actuarial gain and losses in respect of post employment and other long-term benefits are recognised during the year.

**(c) Other long-term employee benefits:**

Obligations on other long term employee benefits viz leave encashment is provided using the projected unit credit method of actuarial valuation made at the end of the year.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

**xiv) Provisions, contingent liabilities and contingent assets**

The Company recognizes a provision where there is a present obligation as a result of a past (or obligating) event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognised nor disclosed in the financial statements.

**xv) Commitments**

Commitments are future liabilities for estimated amount of contracts remaining to be executed on capital account and not provided for. It also includes other non-cancellable commitments, if any, to the extent they are considered material. The amount utilised by the kerosene users is approved by the Matsyafed and the fund is transferred to the Matsyafed by the GoK through VISL. Therefore, the expense is accounted based on actual utilisation from Matsyafed only and is not included in the commitments. Other commitments made in the normal course of business are not disclosed to avoid excessive details.

**xvi) Cash Flow Statement**

Cash flow statements are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

**Note No. 18 - Other Notes on Accounts**

18.1 The company is a Small and Medium-sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the company has complied with the Accounting Standards as applicable to a Small and Medium-sized Company.

18.2 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31.03.2023. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

**18.3 Contingent Liabilities & Commitments**

	<b>Particulars</b>	<b>AS AT 31st MARCH 2023</b>	<b>AS AT 31st MARCH 2022</b>
(a)	Contingent Liability: Claims against the company not acknowledged as debt		
(i)	Disputed Income Tax liability for which the Company preferred appeal before CIT (Appeals), Thiruvananthapuram (Company's claim of refund on TDS and Taxes paid amounting to Rs. 1,70,99,724/- is adjusted by the Assessing Officer against this liability) (Ref. Note No. 8.2).	1,16,29,265	1,16,29,265
(ii)	CPC (TDS) has send in a communication demanding TDS short deduction & interest u/s 194LA for the financial year 2013-14. During the year 2013-14 company purchased land for development of Vizhinjam port and rightly deducted tax u/s 194IA in all cases where payment exceeded Rs. 50 lakhs, however by mistake used challan 281 marking section 194LA for payment and filed TDS return in Form 26Q instead of using Form 26QB which is the challan cum return for deduction u/s 194IA. The matter was taken up with CPC (TDS) - Ghaziabad, CIT (TDS) - Kochi and based on directions from these authorities have taken up the matter before Assistant Commissioner (TDS), Thiruvananthapuram for rectification of mistake. Online correction request submitted on 17-08-2022. Now the matter is pending before Deputy Commissioner of Income Tax (TDS), Thiruvananthapuram and a final reply in this regard is awaited.	10,09,90,730	10,09,90,730
(iii)	Disputed Service Tax liability for which the Company preferred appeal before Service Tax Appellate Tribunal (Pre-deposit made by the company Rs. 69,564) (Ref. Note No. 8.3).	28,16,434	23,47,880
(iv)	Dispute in case of categorisation of land for paying compensation on purchase & Rehabilitation compensation pending before varous legal forums.	8,69,98,332	8,69,98,332
(v)	Dispute in payment of rent for Special Tahsildar Office at Vizhinjam in Building belonging to Harbour Engineering, Thiruvananthapuram division put up before GoK for the period from 07.12.09 to 31.10.16 for set off against the amount spent by the company on renovation of the Building amounting to Rs. 9,55,194.	6,79,318	6,79,318
(b)	Commitments:		
(i)	Estimated amount of contracts remaining to be executed and not provided for	1,46,01,820	5,98,99,319

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

(ii)	Per various GO's Government has approved 1st and 2nd stage report on compensation to Fishermen and of resort workers submitted by AC LIAC. Balance amount as per GO's at the end of the year work out to.	31,03,34,992	38,79,27,000
	<b>Total</b>	<b>52,80,50,891</b>	<b>65,04,71,844</b>

- (c) Out of 216.61 acres of land procured by the company for port development, an area of 26.17 acres of land is acquired under the Land Acquisition Act, 1894. There are about 47 cases pending before Honourable Neyattinkara sub court claiming higher compensation which are at various stages of hearing. As on 05-03-2024, an amount of Rs.43.30 crore was deposited as 50% payment as per the directions of the court. The liability for rest of the cases can be quantified only based on order of the court.
- (d) The company has entered into an MOU with KSEB on 14-02-2011 for construction of power evacuation lines and connected bays for 5 MW power during port construction phase and construction of 220 KV lines to evacuate 35 MW power for short term use and 75 MW power for long term use and paid Rs. 50,99,25,435/- based on estimated cost as 100% advance. So far the company has received statement of account to the tune of Rs. 5,70,35,092 only from KSEB and the advance lying with KSEB is Rs. 45,28,90,343 (Ref Note 8.1a). As per clause 2.1 the work shall be executed by KSEB on "Cost plus" basis. Further variation in cost during the implementation of the work or in the final executed work shall be immediately paid by VISL as per the demand raised by KSEB. A final bill from KSEB has been received on 01.04.2024 for Rs. 63,22,81,669/- including addition liability of Rs.17,93,91,326/-. Since the project is completed, this amount is transferred to Project Expense.
- (e) The company has entered into a MOU with RVNL on 14-02-2011 for construction of Railway Line for operation. However, RVNL has intimated its dissociation from rail connectivity project and return the balance deposit amount available net of expenditure towards preparation of DPR, as they are tied up on other engagements. Hence on 20-02-2018 an agreement was executed with Konkan Railway Corporation Limited (KRCL) and deposited an amount of Rs. 10.46 crore towards preparation of DPR on 02-06-2018. Based on Indian Railway approved DPR detailed estimate for the project will be prepared.
- (f) GoK directed VISL to borrow funds required for completion of the project from financial institutions. HUDCO has agreed to consider financing the project and accordingly, VISL has submitted loan application to borrow an amount of Rs. 1,943.94 crore. Vide GO (Ms) No. 36/2018/F&PD dated 04-10-2018 GoK has extended guarantee to HUDCO / NABARD to borrow Rs. 2,700 crore and to provide budgetary support for repayment. The following are the main purposes for which funds are required to be raised by VISL.
- (i) As per clause 12.6.2 of the Concession Agreement executed between GoK & AVPPL, the cost of Funded Work (construction of breakwater and fishing harbour) is agreed at Rs. 1,463 crore. This amount is paid by the Authority to the Concessionaire in 4 equal instalments on completion of 30%, 60%, 80% and 100% of the work. AVPPL is eligible for a Mobilisation Advance equal to 20% of Funded Work cost which is adjusted in last two instalments. An amount of Rs. 292.60 crore is paid as on 31-03-2018.
- (ii) As per clause 25.1.1 of the Concession Agreement executed between GoK & AVPPL, the Authority agrees to provide Rs. 1,635 crore as Grant to the Concessionaire. The funding of the Grant will be as per the provisions of the Scheme of Financial Support to Public Private Partnership in Infrastructure as notified by the Central Government. Under the scheme, GoI will provide a Grant of Rs.817.8 crore and GoK will provide a grant of 817.2 crore. GoK's share of Grant to be paid during construction period amounting to Rs. 408.90 crore will be raised from HUDCO / NABARD.

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

(iii) Balance land for the project will be acquired under the The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013. The cost of land including resettlement and rehabilitation expenses will be assessed as per the Act and will be intimated by the District Collector latter.

(iv) Cost towards rail connectivity project will be based on DPR prepared by KRCL and approved by Indian Railways.

18.4 Employee Benefits

(i) Defined Contribution Plan

Amount recognised in the Statement of Profit and Loss:

Particulars	YEAR ENDED	YEAR ENDED
	31st MARCH 2023	31st MARCH 2022
(a) Provident fund contributions	12,37,045	9,11,632
(b) Employees State Insurance contributions	27,316	32,987
(c) Pension Contribution - Deputation staff	6,68,131	3,63,540

(ii) Defined Benefit Plan

Gratuity:- The Company make annual contributions under the Employee's Gratuity scheme to a fund administered by trustees covering all eligible employees. Gratuity is paid to a staff member who has put in a minimum qualifying period of 5 years of continuous service, on superannuation, resignation, termination or to his nominee on death.

Leave Encashment:- The Employees are entitled to accumulate Earned Leave which can be availed during the service period. Employees are also allowed to encash the accumulated earned leave during the service period. Further, the accumulated earned leave can be encashed by the employees on superannuation, resignation, and termination or by nominee on death.

The summarised position of Defined Benefit Plan recognised in the Statement of Profit & Loss and Balance Sheet are as under:

(a) Reconciliation of Balance of Defined benefit obligations

Particulars	Gratuity - Funded		Leave encashment - Non Funded	
	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Present Value of Obligations at the beginning of the period	33,47,316	25,68,779	22,02,947	16,56,414
Interest cost	2,27,811	1,69,925	1,49,479	98,698
Current service cost	2,98,236	2,92,312	2,07,467	2,23,374
Benefits paid	(1,38,912)	-	(1,04,338)	(3,28,762)
Actuarial gain/(loss)	4,78,093	3,16,300	45,344	5,53,223
Present value of obligations at the end of the period	42,12,544	33,47,316	25,00,899	22,02,947

(b) Reconciliation of Balance of Fair Value of Plan Assets

Particulars	Gratuity - Funded		Leave encashment - Non Funded	
	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Fair Value of Plan Assets at the beginning of the period	29,17,423	26,67,328	-	-
Expected Return (i)	2,18,324	2,09,428	-	-
Actuarial Gain/(loss) (ii)	(48,795)	(2,09,428)	-	-
Actual Return on Plan assets (i+ii)	1,69,529	-	-	-
Contribution by employer	1,26,039	2,50,095	-	-

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

Benefits paid	(1,38,912)	-	-	-
Fair Value of Plan Assets at the end of the period	30,74,079	29,17,423	-	-

(c) Amount recognised in Balance sheet (a-b) 11,38,465                      4,29,893                      25,00,899                      22,02,947

(d) Amount recognised in Statement of Profit and Loss:

Particulars	Gratuity - Funded		Leave encashment - Non Funded	
	YEAR ENDED 31st MARCH 2023	YEAR ENDED 31st MARCH 2022	YEAR ENDED 31st MARCH 2023	YEAR ENDED 31st MARCH 2022
	Current service cost	2,98,236	2,92,312	2,07,467
Interest cost	2,27,811	1,69,925	1,49,479	98,698
Expected Return on Plan Assets	(2,18,324)	(2,09,428)	-	-
Actuarial gain/(loss)	5,26,888	5,25,728	45,344	5,53,223
Expenses for the year	8,34,611	7,78,537	4,02,290	8,75,295

(e) Key assumptions:

Particulars	Gratuity - Funded		Leave encashment - Non Funded	
	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
Mortality table	2012-14	2012-14	2012-14	2012-14
Attrition rate	Modified q(x) values under above Mortality Table	Modified q(x) values under above Mortality Table	Modified q(x) values under above Mortality Table	Modified q(x) values under above Mortality Table
Discount rate	7.160 % p.a	6.950 % p.a	7.160 % p.a	6.950 % p.a
Salary Escalation/Inflation	8.00 % p.a	8.00 % p.a	8.00 % p.a	8.00 % p.a
Rate of Return on Plan Assets	7.50 % p.a	7.50 % p.a	Not Applicable	Not Applicable
Remaining working life	8.11	8.63	8.11	8.63

18.5 Related Party Disclosures:

A Enterprises where control exists:

Nil

B Other Related Parties:

Key Management Personnel

Dr. Jayakumar, Managing Director & CEO

Ms. Suma Sankaran, Company Secretary & Chief Administrative Officer

Mr. Syam Aravind AV, Chief Finance Officer

Particulars	AS AT 31st MARCH 2023	AS AT 31st MARCH 2022
C Transactions during the year with Related Parties:		
Key Management Personnel		
Remuneration	50,12,124	42,79,938

18.6 Earnings per Share:

Particulars	YEAR ENDED 31st MARCH 2023	YEAR ENDED 31st MARCH 2022
Profit /(Loss) available to Equity Share Holders	-	-
Nominal Value of Shares	100	100
Weighted Average number of Equity Shares	12,00,000	12,00,000
Basic and diluted Earnings /(Loss) Per Share	-	-

**VIZHINJAM INTERNATIONAL SEAPORT LIMITED**

(CIN No. U45309KL2004SGC017685)

9th Floor, KSRTC Bus Terminal Complex, Thampanoor, Thiruvananthapuram-695001

18.7 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Notes 1 to 18 form an integral part of the accounts and have been fully authenticated.

For and on behalf of the Board

Sd/-

Dr. Divya S Iyer, IAS  
(DIN-10461924)  
Managing Director

Sd/-

Shri. K.S. Srinivas IAS  
(DIN-01644154)  
Director

Sd/-

Shri. Sreekumar K Nair  
(PAN-ABFPN8627A)  
Chief Executive Officer

Sd/-

Sankaran Suma  
Company Secretary

Sd/-

Girish Kumar M S  
Chief Finance Officer

Vide our report of even date  
For Krishnan Retna & Associates  
Chartered Accountants  
Firm Regn. No. 001536S

Thiruvananthapuram  
Date: 25.06.2024

Sd/-  
CA Retnakumaran Nair A, FCA, LLB  
Partner (M. No. 024791)



सत्यमेव जयते

**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT-II)  
KERALA, THIRUVANANTHAPURAM**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER  
SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL  
STATEMENTS OF VIZHINJAM INTERNATIONAL SEAPORT LIMITED,  
THIRUVANANTHAPURAM FOR THE YEAR ENDED 31 MARCH 2023**

The preparation of financial statements of **Vizhinjam International Seaport Limited, Thiruvananthapuram** for the year ended **31 March 2023** in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **03 July 2024**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Vizhinjam International Seaport Limited, Thiruvananthapuram** for the year ended **31 March 2023** under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report

**A. Comments on Financial Position**

- 1. Balance Sheet as of 31 March 2023-Note 7-Property, Plant and Equipment -Capital Work in progress- ₹114.29 crore.**



The above head includes ₹100 crore paid towards cost of breakwater construction. As per the Concession Agreement dated 17 August 2015, the Authority (GoK) has to pay the Concessionaire (AVPPL) the lumpsum amount (₹1387.00 crore) in four equal installments (25% each on achieving 30%, 60%, 80% and 100% physical progress as certified by Independent Engineer (IE)). As the Independent Engineer had certified 30.03% completion of the project and certification accepted (20 February 2023) by the Company, an amount of ₹346.75 crore was payable towards 25% of lumpsum payment. The company did not provide for the balance amount which resulted in understatement of Capital Work in progress by ₹246.75 crore with corresponding understatement of Current Liabilities to the same extent.

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

**Thiruvananthapuram**  
**Dated: 15 -10-2024**

**Sd/-**  
**Anim Cherian**  
**PRINCIPAL ACCOUNTANT GENERAL (AUDIT-II),**  
**KERALA**

**Form No. MGT-11**

**Proxy form**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

CIN: U45309KL2004SGC017685

Name of the Company: VIZHINJAM INTERNATIONAL SEAPORT LTD  
Registered Office: 9<sup>th</sup> FLOOR, KSRTC BUS TERMINAL COMPLEX,  
THAMPANOR PO  
THIRUVANANTHAPURAM ,695001  
[www.vizhinjamport.in](http://www.vizhinjamport.in)  
e-mail: [mail@vizhinjamport.in](mailto:mail@vizhinjamport.in)

Name of the member (s): GOVERNOR OF  
KERALA  
Registered address: RAJ BHAVAN,  
VELLAYAMBALAM, THIRUVANATHAPURAM  
E-mail Id:  
Folio No/ Client: 3

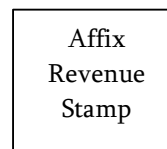
I/We, being the member (s) of holding 1000 shares of the above named Company, hereby appoint

1. Name: .....  
Address:  
E-mail Id:  
Signature:....., or failing him
  
2. Name: .....  
Address:  
E-mail Id:  
Signature:....., or failing him
  
3. Name: .....  
Address:  
E-mail Id:  
Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **19<sup>th</sup> Annual General Meeting/ Extraordinary General Meeting of the Company, to be held on Thursday, the 28<sup>th</sup> day of September, 2023 at 3.00 PM. at the Registered Office of the Company** and at any adjournment thereof in respect of such resolutions as are indicated below:

Signed this..... day of..... 20....

Signature of shareholder



Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting**

**Form No. MGT-11**

**Proxy form**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

CIN: U45309KL2004SGC017685

Name of the Company: VIZHINJAM INTERNATIONAL SEAPORT LTD  
Registered Office: 9<sup>th</sup> FLOOR, KSRTC BUS TERMINAL COMPLEX,  
THAMPANOR PO  
THIRUVANANTHAPURAM ,695001  
[www.vizhinjampport.in](http://www.vizhinjampport.in)  
e-mail: [mail@vizhinjampport.in](mailto:mail@vizhinjampport.in)

Name of the member (s): SHRI. K SRINIVAS IAS  
Registered address: PRINCIPAL SECRETARY, PORTS DEPARTMENT  
GOVERNMENT OF KERALA  
E-mail Id:  
Folio No/ Client: 7

I/We, being the member (s) of holding 1000 shares of the above named Company, hereby appoint

1. Name: .....

Address:

E-mail Id:

Signature:....., or failing him

2. Name: .....

Address:

E-mail Id:

Signature:....., or failing him

3. Name: .....

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **19<sup>th</sup> Annual General Meeting / Extraordinary General Meeting (Adjourned) of the Company, to be held on Monday, the 21<sup>st</sup> day of October, 2024 at 03.30 PM. at the Registered Office of the Company** and at any adjournment thereof in respect of such resolutions as are indicated below:

Signed this 19<sup>th</sup> day of October 2024

Signature of shareholder

Affix  
Revenue  
Stamp

Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting**

**COMPANIES ACT,2013**  
**(Consent by a Shareholder for shorter notice)**  
**[Pursuant to section 101(1) ]**

**Vizhinjam International Seaport Ltd**  
**9<sup>th</sup> Floor, KSRTC Bus Terminal Complex**  
**Thampanoor PO, Thiruvananthapuram-01**

I, .....of Thiruvananthapuram District , being member (s) of Vizhinjam International Seaport Ltd holding ..... Equity shares of Rs. .... each in the Company in my/our own /on behalf of Governor of Kerala hereby give consent pursuant to section 101(1) of the Companies,Act,2013 to hold the 19<sup>th</sup> Annual General Meeting (Adjourned) on -----, -----, ----- at ----- at the Registered Office of the Company .

Signature.....  
Name (In Block Letters).....

Dated the .....day of .....2024.