



Vizhinjam International Seaport Limited
Thiruvananthapuram
(Government of Kerala Undertaking)

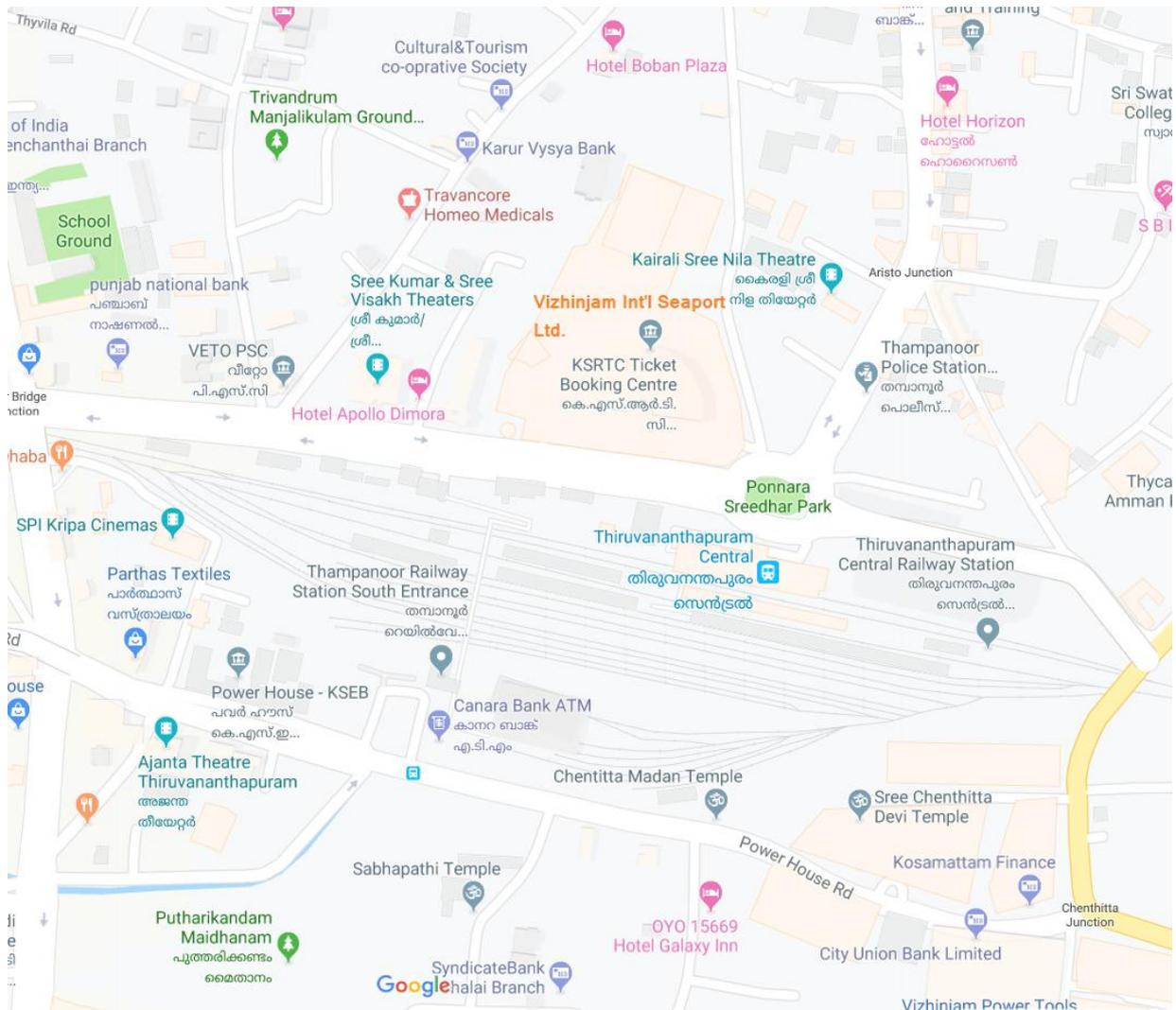
20th ANNUAL REPORT

2023-2024



Route Map of the Venue of VISL

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



Location => 8°29'18.3"N 76°57'07.3"E

**20th ANNUAL REPORT OF THE DIRECTORS FOR
THE YEAR ENDED 31.03.2024**

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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
9th Floor, KSRTC Bus Terminal Complex
Thampanoor PO
Thiruvananthapuram 695001
www.vizhinjamport.in

Contact:

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

BOARD OF DIRECTORS as on 05.01.2026

- 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
Dr. A Jayathilak, IAS, Chief Secretary, Govt. of Kerala – Director
Shri.K R Jyothishankar, IAS, Addl. Chief Secretary, Finance, Govt. of Kerala – Director
Dr. A. Kowsigan, IAS, 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 G R A & Co.
Chartered Accountants
T.C. 28/2797,
Chettikulangara Road, Vanchiyoor PO
Thiruvananthapuram – 695001

Internal Auditors

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



Vizhinjam International Seaport Limited

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Thiruvananthapuram 695 001, Kerala State

BOARD OF DIRECTORS AS ON 31-03-2024

Shri. Pinarayi Vijayan, Hon'ble Chief Minister – Chairman

Shri. V. N Vasavan, Hon'ble Minister (Ports, Co-operation & Devaswom) – 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. Venu V, IAS, Chief Secretary – Director

Shri. Rabindra Kumar Agarwal, IAS, Principal Secretary, Finance – Director

Shri. K.S. Srinivas, IAS, Principal Secretary, Department of Ports – Director

Dr. Divya S Iyer, IAS - Managing Director, VISL



Vizhinjam International Seaport Limited

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CIN: U45309KL2004SGC017685

Thiruvananthapuram 695 001, Kerala State

VISL/AGM-20/2023-24/1073

21.01.2026

NOTICE

Dear Shareholders,

Notice is hereby given that the Twentieth (20th) (Adjourned) Annual General Meeting of the Shareholders of Vizhinjam International Seaport Limited will be held on Tuesday, the 3rd of February, 2026 at 3.00 pm at the Registered Office of the Company, 9th Floor, KSTRC Bus Terminal Complex, Thampanoor, Thiruvananthapuram- 695001 to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and Auditors Report for the financial year ended 31.03.2024, Balance Sheet of the company as on 31.03.2024, Profit and Loss Account of the company for the year ended 31.03.2024 and all the documents required to be attached/annexed to the Directors' 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. A 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-20/2024/486

September 5th 2024

NOTICE

Dear Shareholders,

Notice is hereby given that the Twentieth (20th) Annual General Meeting of the Shareholders of Vizhinjam International Seaport Limited will be held on Saturday, 28th September 2024, 3.00 PM at the Registered Office of the Company, 9th 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 31-03-2024, Balance Sheet of the Company as on 31-03-2024, Profit and Loss Account of the Company for the year ended 31-03-2024, 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 2024-25.

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.

20th ANNUAL REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31.03.2024

Dear Shareholders,

The Board of Directors of your Company have pleasure in presenting their 20th Annual Report on the affairs of the Company with the audited financial statements of the Company for the year ended 31st March, 2024.

Financial results

The financial performance of the company for the financial year ended March 31, 2024 is summarized below:

Particulars	2023-24 (₹)	2022-23 (₹)
Share Capital, Reserves & Surplus:		
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	12,17,78,39,482	9,54,72,61,379
Interest on unutilized Grant	19,81,50,875	19,81,50,875
Lease Rent Receivable from GoK	(19)	(16)
Grant related to revenue expenses transferred to Statement of Profit & Loss a/c & Surplus in Statement of Profit & Loss a/c.	(2,34,82,34,007)	(2,14,97,13,942)
Total	10,02,77,56,331	7,59,56,98,296
Summarised statement of Profit & Loss:		
Other Income including revenue grant	19,79,26,264	73,70,65,117
Expenditure including depreciation	(19,79,26,264)	(73,70,65,117)
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 2023-24.

Transfer to Reserves

No amount has been transferred to Reserves during the Financial Year 2023-24.

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, three Board meetings were held on 5th May 2023, 20th July 2023 and 5th March 2024. 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	3	3
2.	Shri. Ahammad Devarkovil	2	2
3.	Shri. V N Vasavan	1	1
4.	Shri. Kunnamkalath Madathil Rajan	3	3
5.	Shri. Saji Cheriyan	3	0
6.	Shri. K. N. Balagopal	3	3
7.	Shri. Sivankutty Nair Vasudevan Pillai	3	0
8.	Dr. Shashi Tharoor	3	3
9.	Dr. Venu V IAS	2	2
10.	Shri K.S. Srinivas IAS	2	2
11.	Dr. Divya S Iyer IAS	1	1
12.	Shri. Krishnan Kutty Biju IAS	1	1
13.	Dr. Vazhayil Pathrose Joy IAS	1	1
14.	Shri. Bishwanath Sinha IAS	2	1
15.	Shri. Rabindra Kumar Agarwal IAS	1	1
16.	Dr. Adeela Abdulla IAS	2	2
17.	Dr. Jayakumar Venugopalan Nair	2	2

Material changes in the Management during the year

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

1. Vide G.O. (Rt) No. 570/2023/F&P dated 20.07.2023, Government appointed Dr. Venu V IAS was appointed in lieu of Dr. Vazhayil Pathrose Joy IAS and Shri K.S. Srinivas IAS was appointed in lieu of Shri. Krishnan Kutty Biju IAS.
2. Vide G.O. (Rt) No. 680/2023/F&PD dated. 26.08.2023, Shri. Rabindra Kumar Agarwal was appointed in lieu of Shri. Bishwanath Sinha IAS.
3. Vide G.O. (Rt) No. 896/2023/F&PD dated. 13.11.2023, Dr. Divya S Iyer IAS was appointed as Managing Director, VISL in lieu of Dr. Adeela Abdulla IAS.
4. Vide G.O. (Rt) No. 26/2024/F&PD dated. 17.01.2024, Hon'ble Minister for Ports Shri. V N Vasavan was appointed as Vice-Chairman of the Board, VISL in lieu of Shri. Ahammad Devarkovil.
5. Further vide G.O. (Rt) No. 64/2024/F&PD dated. 30.01.2024, Dr. Jayakumar Venugopalan Nair was relieved from the services of the Company.

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 GRA & Co. Chartered Accountants, T.C. 28/2797, Chettikulangara Road, Vanchiyoor, Thiruvananthapuram – 695001. 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 Nil comment on the Audited Financial Statements of the Company for the year ended March 31, 2024 under Section 143 (6) (b) of the Companies Act, 2013.

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:-

	2023-24 (₹)	2022-23 (₹)
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 : 05.01.2026

ANNEXURE TO BOARD'S REPORT

Form No. MGT – 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2024
[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 th 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 th FLOOR,KSRTC BUS TERMINAL COMPLEX THAMPANOR PO THIRUVANANTHAPURAM KERALA INDIA PINCODE 695001 www.vizhinjamport.in Telefax : 0471 2328616 mail@vizhinjamport.in
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	
A. Promoters									
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. Public Shareholding									
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)	Non- Institutions									
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)	Others (Specify)									
	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.	Shri K.S. Srinivas 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):	no change			
	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	Smt. Tinku Biswal IAS	1000	0.08	05.05.2023	-1000		1000	0.08
2	Shri. K Biju IAS	1000	0.08	05.05.2023	+1000		1000	0.08
3	Shri. K Biju IAS	1000	0.08	20.07.2023	-1000		1000	0.08
4	Shri K.S. Srinivas IAS	1000	0.08	20.07.2023	+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		24,90,578
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		30,394
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		NIL
2.	Stock Option		NIL
3.	Sweat Equity		NIL
4.	Commission - as % of profit - others, (please specify)		NIL
5.	Others, (Festival allowance, Gratuity etc)		5,71,006
6.	Total (A)		30,91,978
	Ceiling as per the Act		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			
		Chief Executive Officer	Company Secretary	CFO	Total (₹)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	43,333	19,07,230	7,78,426	22,77,698
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	65,150	26,741	1,15,160
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, (please specify)	NIL	NIL	NIL	NIL
5.	Others, (Festival allowance, Gratuity etc)	NIL	2,750	NIL	2,750
	Total	43,333	19,75,130	8,05,167	28,23,630

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: 05.01.2026

For and on behalf of the Board of Directors,

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



GRA & Co;

CHARTERED ACCOUNTANTS

Chaitaniya, TC 54/2214-2,
Pappanamcode, Trivandrum-18
Pho: 04712495939,9349990489
E-mail: gra.and.co@gmail.com
ajithkumarca@yahoo.co.in

Independent Auditors' Report

To

The Members
Vizhinjam International Seaport Limited
Thiruvananthapuram

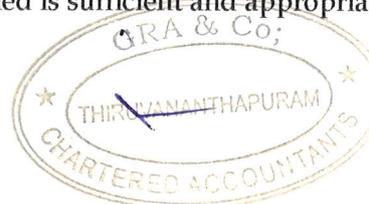
We have audited the accompanying standalone financial statements of **Vizhinjam International Seaport Limited ("the Company")**, which comprise the Balance sheet as at 31st March 2024, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2024, its NIL profit / loss and its cash flows 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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. The Company conducted only two board meeting during the calendar year 2023 against four meetings as required.
2. The company is not consistently obtaining closing confirmation from all parties involved.
3. The Company has acquired a total of 218.265 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 in the tax payment after mutation of the land, there are missing land parcels and portions under the new Thundaperu of the Company for which tax payment is pending for such cases. For instance:

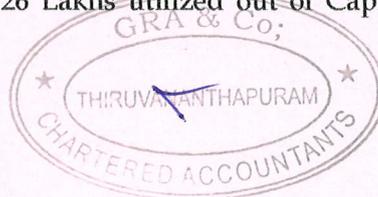
Sl No.	SY No.	Area	Vendor
1	113/10	13.70	Sadasivan Nair
2	113/12	15.02	Harikumar
3	121/4	12.00	Maniyan
4	123/15	2.43	Reshma
5	123/23	3.85	Babu K

4. 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
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 realizability or claim and made any provision as to write off/write back.

5. Regarding Note. No.2 on Grant in aid from Government of Kerala for an amount of Rs.26305.78 Lakhs as has been earmarked/ utilized on Vizhinjam Port infrastructure and other specific and development activities and thus credited to Capital Reserve. Also Revenue expenditure to the tune of Rs.1979.26 Lakhs utilized out of Capital Reserve during the year as per Note No.2 and 14.



6. Note No.7 regarding short term provisions made during the year for an amount of Rs.12657.67 Lakhs which includes Provision for funded work, break water construction for an amount of Rs.10635.40 Lakhs where invoice pending to be received from M/s Adani Vizhinjam Port Private Limited (AVPPL).

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

Other Matters

1. Regarding Arbitration consent award and the execution of Joint settlement agreement by Government of Kerala and AVPPL, there is impending Execution of the Tripartite Agreement & the Amendment of the Concession Agreement by means of a Supplementary Concession Agreement as per the Joint Memo of Settlement of Disputes dt. 20/02/2024.
2. The Annual Financial statements of the Company for the Financial year 2022-23 is pending to be adopted in the General Meeting of the Company.

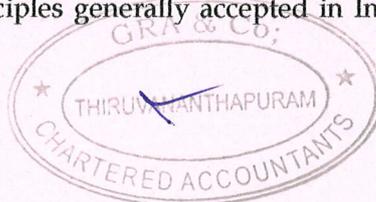
Information other than the financial statements and Auditor's Report thereon

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 auditors' 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

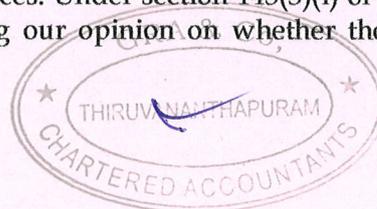
Auditor's Responsibilities for the Audit of the Financial Statements

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

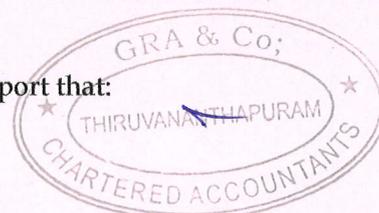


adequate internal financial controls system in place and the operating effectiveness of such controls.

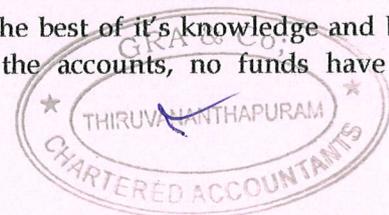
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material 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.
3. As required by Section 143(3) of the Act, we report that:



- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 3 (h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014
- c. The Balance Sheet and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. 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 05th June 2015, issued by the Ministry of Corporate Affairs.
- f. The modifications if any relating to the maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in the paragraph 3(b) above on reporting under section 143 (3) (b) of the Act and paragraph 3(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014
- g. 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".
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as on 31/03/2024 on its financial position in its Standalone Financial Statements. Refer Note 20.3 to the Standalone 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 31/03/2024.
 - iv.a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been



advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b. The management has represented that to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries; and
- c. Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The company has not declared or paid any dividend during the year. So compliances of the provisions of section 123 of the Companies Act,2013 is not applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 and wherein the accounting software did not have the audit trail feature enabled throughout the year.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

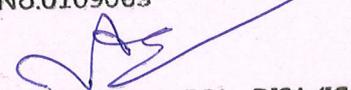
Place: Thiruvananthapuram

Date: 19/10/2024

Udin:24209348BKEOIM8667



For GRA & Co ;
Chartered Accountants
FR.No.010906S


C.A.T. Ajith Kumar FCA , DISA (ICAI)
Mem.No.209348

ANNEXURE "T" TO THE INDEPENDENT AUDITORS' REPORT

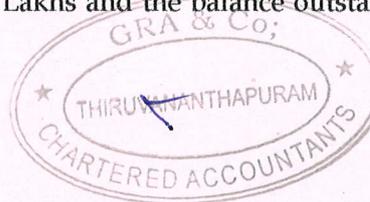
Annexure referred to in Paragraph 1 under the heading 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Vizhinjam International Seaport Limited on the Stand-alone Financial Statements as of and for the year ended 31st March 2024.

1) Property, Plant and Equipment 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 , it is observed that there are certain cases where the tax payments after mutation pending under the new Thandaperu.
- (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 been sanctioned with a short term loan from Kerala Financial Corporation for an amount of Rs 50000 Lakhs and the balance-outstanding including



interest as on 31.03.2024 is Rs.35257.14 Lakhs as per Note No.6.

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.

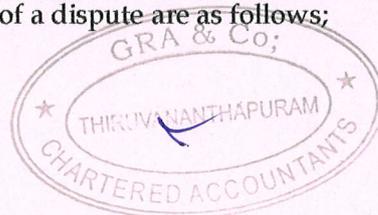
6) Cost Accounting Records

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, 2024 for a period of more than six months from the date they became payable.

(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 2024 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
TOTAL			1,28,87,570	52,68,583	76,18,987

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

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, bankers, government or debenture holders during the year.

(b) In our opinion and according to the information and explanations given to us, the Company has not been a declared willful defaulter by any banker or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has applied the term loans for the purpose for which these loans were obtained and the same are in the ordinary course of business.

(d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilized for long term purposes.

(e) In our opinion and according to the information and explanations given to us, has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries, associates or joint ventures.

(f) In our opinion and according to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

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 5th 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

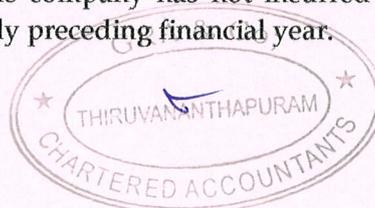
According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them.

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

There is no liability of the company during the year under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

21) Qualifications or Adverse Auditor remarks of Subsidiary Companies

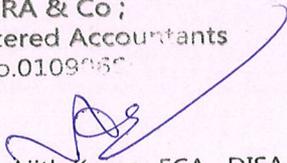
The company has not made investments in the subsidiary company. Therefore the company does not require to prepare a consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

Place: Thiruvananthapuram

Date: 19/10/2024

UDIN: 24209348BKEOIM8667

For GRA & Co ;
Chartered Accountants
FR.No.0109080

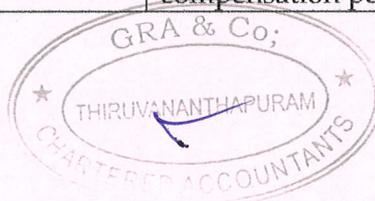

C.A.T. Ajith Kumar FCA , DISA (ICAI)
Mem.No.209348

ANNEXURE "II" TO THE INDEPENDENT AUDITORS' REPORT

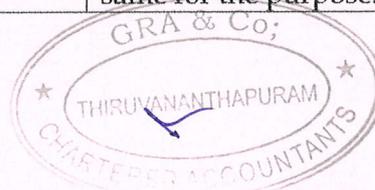
The Annexure referred to in paragraph 2 under 'Report on Other legal and Regulatory Requirements' section of our report of even date to the members of Vizhinjam International Seaport Limited on the Accounts of the company for the year ended 31st March 2024.

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

SI No	Directions/ Sub- Directions	Observations/ Findings
Directions		
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.	Yes; There has been a system which ensures proper processing of accounting transactions through IT system, Tally software, and there would be absolutely no or minimal implications except some time overrun or manual labour implications and speed of processing of data that could be affected if the same done outside IT system. Tally data is fully secured and daily back up stored for the highest safety of accounting and financial data.
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 Governments is utilised for the purpose for which the same has been sanctioned and no deviation has been noticed during the year under audit.
Sub Directions- Infrastructure		
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. As per information provided, There are 23 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 under PPP model with M/s AVPPL for the development of Vizhinjam International Sea 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 primarily be on the parties to the agreement only and the impact on the company being an implementing agency is considered as per applicable accounting standards and other prudential norms and generally accepted accounting policies.
4	Whether funds received/ receivable for specific schemes from central/ state agencies were properly accounted for/ utilized? List the case of deviation.	Yes, grants received from Government of Kerala is utilised accordingly.
5	Whether the bank guarantees have been revalidated in time?	Based on the information and explanations given to us bank guarantees for the project received for GoK are valid as on 31 st March 2024
6	Comment on the confirmation of trade receivables, trade payables, term deposit, bank accounts and cash obtained.	The Company is a nodal agent of GoK for implementation of Vizhinjam Port. The company does not have any confirmation for trade receivables and trade payables.
7	The cost incurred on abandoned projects may be quantified and the amount actually written off shall be mentioned.	The company does not have any abandoned projects as on 31.03.2024.
Sub Directions - Other		
1	Examine the system of effective utilization of Loans/ Grant-in-Aid/ Subsidy. List the cases of diversion of funds.	The Company receives Grant-in-Aid from GoK as a nodal agent for implementation of Vizhinjam Port and has utilized the same for the purpose.



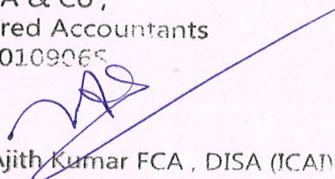
2	Examine the cost benefit analysis of major capital expenditure/ expansion including IRR and payback period.	The detailed feasibility report containing cost benefit analysis is prepared for the project and the same is approved by GoK vide G.O (MS) no.44/2014/F&PD dtd 26.06.2014 & GO (MS) no. 31/2015/F&PD dtd 12.06.2015
3	If the audited entity has computerized its operations or part of it, assess and report, how much of the data in the Company is in electronic format, which of the area such as accounting, sales personnel information, pay roll, inventory etc. have been computerized and the Company has evolved proper security policy for data/ software/ hardware?	The Company has computerized accounting & payroll data. Access to systems are password protected, anti-virus software is installed.

Place: Thiruvananthapuram

Date: 19/10/2024

UDIN: **24209348BKEOIM8667**

For GRA & Co ;
Chartered Accountants
FR.No.0109065


C.A.T. Ajith Kumar FCA , DISA (ICAI)
Mem.No.209348

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 31st March 2024)

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

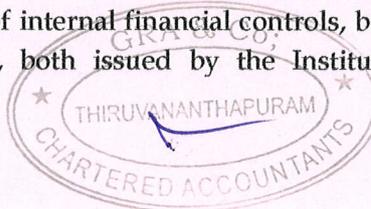
We have audited the Internal Financial Controls over financial reporting of **Vizhinjam International Seaport Limited**, (the company) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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.

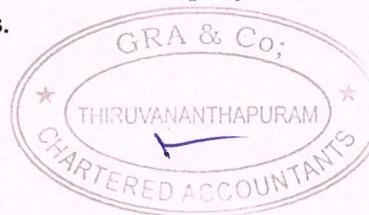
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal 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

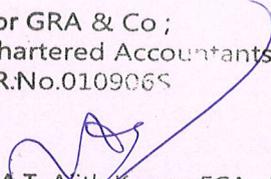
In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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: 19/10/2024

UDIN: **24209348BKEOIM8667**

For GRA & Co ;
Chartered Accountants
FR.No.0109065


C.A.T. Ajith Kumar FCA , DISA (ICAI)
Mem.No.209348



ABVR & ASSOCIATES
COMPANY SECRETARIES

Partners:

CS Anilkumar B S FCMA ACS

CS Rajendran V FCS LLB IP

UDIN : F006062F001059312

FORM No.MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March 2024

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

To

THE MEMBERS,

Vizhinjam International Seaport Limited

9th Floor, KSRTC Bus Terminal Complex

Thampanoor, Thiruvananthapuram,

Kerala-695001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vizhinjam International Seaport Limited **vide CIN U45309KL2004SGC017685("Company")** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporation conducts/ statutory compliance and expressing our opinion thereon.

This Secretarial Audit is in compliance of provisions of Section 204 (1) of companies Act 2013 read with rule 9 of companies (Appointment and Remuneration of Managerial personnel) Rules 2014 and the notification issued by Ministry of Corporate Affairs dated 03/01/2020 mandating every company including private limited companies having outstanding loans or borrowings from banks or public financial institutions of one hundred crore rupees or more shall be annexed with the Board Report the same with effect from the financial year ending 31st March 2021.



Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representation during the conduct of secretarial audit, we hereby report that in our opinion the Company has during the audit period covering the financial year ended 31st March 2024 ("**Audit Period**") compiled with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subjects to the reporting made hereinafter:

We have examined the books, papers minute books, forms and returns filed and other records maintained by the Company for Audit Period, according to the provisions of following enactments except to the extent noted hereinafter -

- I. The Companies Act,2013 and the Rules made there under ("Act")
- II. The Securities Contracts(Regulation) Act,1956 and Rules made there under;
- III. The Depositories Act,1996 and the regulations and bye law framed there under;
- IV. Foreign Exchange Management Act,1999 and the Rules and Regulation made there under ("**FEMA**") to the extent of foreign Direct investment, Overseas Direct Investment and External Commercial Borrowings [The Company has not raised any External Commercial Borrowings during the Audit Period];
- V. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI ACT")
 - a. Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
Not Applicable being a private limited company fully owned by Government of Kerala
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
Not Applicable being a private limited company.
 - c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
Not Applicable being a private limited Company.



d. Securities and Exchange Board of India (Issued of Capital and Disclosure Requirements) Regulations, 2018:

Not Applicable being a private limited Company.

e. Securities and Exchange Board of India (Share Based Employee Benefits Regulations, 2014;

Not Applicable being a private limited company.

f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008-

Not Applicable being a private limited Company.

g. The Securities and Exchange Board of India (Registration to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

Not Applicable being a private limited company.

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

Not Applicable being a private limited Company.

i. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018-

Not Applicable being a private limited Company; and

VI. Other laws informed by the management of the Company as applicable to the Company is enclosed **as Annexure -1** hereto.

NIL.

Further, we have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards I and II issued by The Institute of Company Secretary of the India with respect to board and general meetings respectively.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non Executive Directors and all of them are nominated by Government of Kerala as stipulated under Articles of Association of the company. The changes in the composition of the Board of Directors that took place during the Audit period were carried

out in compliance with the provisions of Companies Act 2013 and the Rules made thereunder.

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

All decisions at the Board meeting are carried out validly as recorded in the minutes.

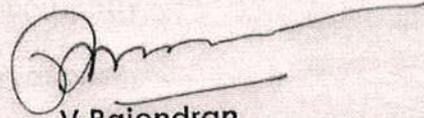
The Compliance of applicable financial laws, like direct and indirect tax laws have not been reviewed in this Audit since the same been subject to review by the statutory financial auditors and other designated professionals

The company during the Audit period didn't have any material unlisted subsidiaries incorporated in India and therefore there is no requirement to undertake separate Secretarial Audit to that company.

We further report the following remarks /observations-

- 1. The Frequency between two Board Meetings exceeded 120 days gap which was not in Compliance with the provisions of Section 173(1) of Companies Act 2013 and Secretarial Standards SS-1 or guidance Note issued by ICSI.*
- 2. The financial statement for the year ending 31/03/2023 was not placed before AGM for adoption and thereby the provisions of sections 129 and 134 of the Companies Act 2013 have not been complied.*
- 3. Due to backlog in finalisation of accounts the CSR obligation of the company in pursuance of section 135 could not be ascertained.*

For AB VR and ASSOCIATES

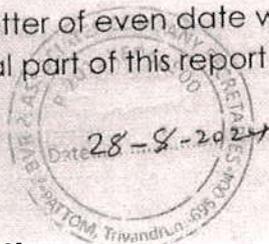


V. Rajendran

Company Secretary in Practice
FCS No: 6062: CP No.13941

Place: Trivandrum
Date: 27/08/2024

Note: This report is to be read with my letter of even date which is annexed as Annexure-2 hereto and forms an integral part of this report.



LIST OF OTHER LAWS APPLICABLE

A. Corporation laws

1. The Depositories Act, 1996 and regulation and Bye laws there under

B. Labour laws

1. Shops & Commercial Establishments Act of applicable states;
2. Child labour(Prohibition and Regulations) Act,1986
3. Sexual Harassment at Workplace (Prevention, Prohibitions and Redressal) Act, 2013;
4. The Contract Labour (Regulation and Abolitions) Act,1970;
5. The Employees Provident Fund and Miscellaneous Provision Act,1952;
6. The Employees State insurance Act 1948;
7. The Employees Compensation Act,1923;
8. The Equal Remuneration Act, 1976;
9. The Factories Act,1948;
- 10.The Industrial Disputes Act,1947
- 11.The Industrial Employments (Standing Orders) Act,1946
- 12.The Maternity Benefit Act, 1961;
- 13.The Minimum Wages Act,1948
- 14.The Payment of Bonus Act, 1965;
- 15.The payment of Gratuity Act, 1972
- 16.The Payments of Wages Act, 1936 and
- 17.The Employment Exchanges (Compulsory Notification of Vacancies)Act, 1959

C. Taxation laws

1. The Income Tax Act, 1961;
2. The Customs Act, 1961;
3. Goods & Service Tax Act,2017

D. Intellectual property laws

1. The patents Act, 1970;and



2. The Trade Marks Act, 1999

E. Environmental laws

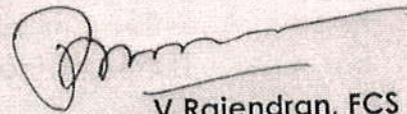
1. The Water (Prevention and Control of Pollution) Act, 1974
2. The Air(Prevention and Controls of Pollution) Act 1981;
3. The Environment Protection Act,1986 and
4. The Water (Prevention & Control of Pollution) cess Act, 1977 and Water (Prevention & Control of Pollution) Cess Rules, 1978

F. Miscellaneous Laws

1. The prevention of Money laundering Act, 2002;
2. The Micro ,Small and Medium Enterprises Development Act 2006 and
3. The Competition Act, 2002

Place: Trivandrum
Date: 28/08/2024

For AB VR and ASSOCIATES



V. Rajendran, FCS
Company Secretary in Practice
FCS No: 6062; CP No 13941





ABVR & ASSOCIATES COMPANY SECRETARIES

Partners:

CS Anilkumar B S FCMA ACS

CS Rajendran V FCS LLB IP

ANNEXURE-2

To

THE MEMBERS

Vizhinjam International Seaport Limited
KSRTC BUILDING,
Thampanoor, Tvm

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the audit.
2. We have followed the audit practice and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on random test basis to ensure that correct facts are reflected in the secretarial records' believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the company.
4. The Compliance of the provisions of corporate and other applicable laws, rules regulations, standards etc., is the responsibility of the management of the Company. Our examination was limited to the verification of procedures on random test basis.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.



6. The list of laws applicable to the Company enclosed as Annexure-1 to the Secretarial Audit Report is as confirmed by the management of the Company; The Secretarial Audit Report is neither an assurance nor a confirmation that the list is exhaustive.

7. The Secretarial Audit Report is neither an assurance as to the future liability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For AB VR and ASSOCIATES



V. Rajendran

Company Secretary in Practice
FCS No 6062; CP No 13941

Place: Trivandrum

Date: 28/08/2024

UDIN : UDIN : F006062F001059312



VIZHINJAM INTERNATIONAL SEAPORT LIMITED

(CIN No. U45309KL2004SGC017685)

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

BALANCE SHEET AS AT 31st MARCH 2024*Amount ₹ in Lakhs*

Particulars	Note No.	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	1,200.00	1,200.00
Reserves and Surplus	2	94,266.89	69,940.37
Non Current Liabilities			
Other Long Term Liabilities	3	41,243.55	39,262.39
Long Term Provisions	4	14.18	11.28
Current Liabilities			
Other Current Liabilities	5	880.61	10,572.37
Short Term Loans	6	35,257.14	-
Short Term Provisions	7	12,657.67	1,844.71
Total		1,85,520.04	1,22,831.14
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	8		
Tangible Assets		71,047.38	69,227.14
Intangible Assets		0.00	0.02
Capital Work in Progress		70,635.74	11,429.96
Long Term Loans and Advances	9	651.42	2,209.50
Other Non Current Assets	10	41,243.55	39,262.39
Current Assets			
Cash and Bank Balances	11	1,157.66	586.51
Short Term Loans and Advances	12	259.90	1.56
Other Current Assets	13	524.38	114.05
Total		1,85,520.04	1,22,831.14
Company Information & Material Accounting Policies	18 & 19		
Other Notes on Accounts	20		

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 GRA & Co. Chartered Accountants
Firm Regn. No. 010906S

Thiruvananthapuram
Date: 19.10.2024

Sd/-
T Ajithkumar, FCA, DISA (ICAI)
Partner (M.No.209348):UDIN - 24209348BKEOIM8667

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 2024*Amount ₹ in Lakhs*

Particulars	Note No.	YEAR ENDED 31st MARCH 2024	YEAR ENDED 31st MARCH 2023
INCOME			
Revenue from Operations		-	-
Other Income	14	1,981.61	7,372.06
Total Income (I)		1,981.61	7,372.06
EXPENSES			
Employee Benefit Expenses	15	181.82	182.83
Other Expenses	16	1,754.32	7,135.57
Interest on Loan	17	-	-
Depreciation & Amortization Expenses	8	45.47	53.66
Total Expenses (II)		1,981.61	7,372.06
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 & Material Accounting Policies	18 & 19		
Other Notes on Accounts	20		

See accompanying notes to Financial Statement

For and on behalf of the Board

Sd/-	Sd/-	Sd/-
Dr. Divya S Iyer, IAS (DIN-10461924) Managing Director	Shri. K.S. Srinivas IAS (DIN-01644154) Director	Shri. Sreekumar K Nair (PAN-ABFPN8627A) Chief Executive Officer

Sd/-	Sd/-	Vide our report of even date
Sankaran Suma Company Secretary	Girish Kumar M S Chief Finance Officer	For GRA & Co. Chartered Accountants Firm Regn. No. 010906S

Thiruvananthapuram
Date: 19.10.2024

Sd/-
T Ajithkumar, FCA, DISA (ICAI)
Partner (M.No.209348):UDIN - 24209348BKEOIM8667

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 2024

Amount ₹ in Lakhs

	YEAR ENDED 31st MARCH 2024	YEAR ENDED 31st MARCH 2023
A. Cash Flows from Operating Activities		
Profit Before Tax	-	-
Adjustments for:		
Depreciation, Amortisation & Obsolescence	45.47	53.66
Interest received on income tax refund	(0.04)	-
Interest on Electricity Deposit	(0.04)	-
Overstated depreciation of previous years written back	-	-
Profit on sale of Fixed Asset	(0.57)	-
Operating Profit before working capital changes	44.81	53.66
Adjustments for (increase) / decrease in operating assets:		
Short Term Loans and Advances	(258.34)	2.28
Other Current Assets	(410.33)	22.45
Adjustments for increase / (decrease) in operating liabilities:		
Long Term Provisions	2.90	7.09
Other Current Liabilities	310.75	10,213.88
Short Term Provisions	177.56	1,801.16
Cash generated from Operations	(132.66)	12,100.51
Income tax expense	-	-
Interest received on income tax refund	0.04	-
Net Cash Flow from / (used in) Operating activities	(132.62)	12,100.51
B. Cash Flows from Investing Activities		
Payment towards Capital Expenditure	(50,435.45)	(10,369.90)
Interest on Electricity Deposit	0.04	-
Advances / Deposits (given) / repaid / Adjustments	1,558.08	4,338.29
Bank Balance not considered as Cash & Cash Equivalents	(3.75)	(3.13)
Net Cash Flow from / (used in) Investing activities	(48,881.07)	(6,034.75)
C. Cash Flows from Financing Activities		
Funds received from GoK for the project	24,326.52	(5,985.16)
Funds received from GoK for Mobilisation Advance to AVPPL	-	-
Loan from NABARD	-	-
Loan from KERALA FINANCIAL CORPORATION	25,254.58	-
Interest received on unutilised funds	-	-
Net Cash Flow from Financing activities	49,581.10	(5,985.16)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	567.40	80.61
Cash & Cash equivalents at the beginning of the year	494.13	413.52
Cash & Cash equivalents at the end of the year (Refer Note 11)	1,061.53	494.13

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 (₹26305.78 Lakhs - ₹1979.26 Lakhs)

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 GRA & Co. Chartered Accountants
Firm Regn. No. 010906S

Thiruvananthapuram
Date: 19.10.2024

Sd/-
T Ajithkumar, FCA, DISA (ICAI)
Partner (M.No.209348):UDIN - 24209348BKEOIM8667

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 2024

Note No. 1 - Share Capital

Amount ₹ in Lakhs

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Equity Share Capital		
Authorised Capital 1200000 (P.Y.1200000) shares of ₹100 each	1,200	1,200
Issued, subscribed and fully paid up 1200000 (P.Y.1200000) shares of ₹100 each	1,200	1,200

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

Amount ₹ in Lakhs

Particulars	AS AT 31st MARCH 2024		AS AT 31st MARCH 2023	
	No. of Shares	Value	No. of Shares	Value
Number of equity shares at the beginning of the year	12,00,000	1,200	12,00,000	1,200
Number of equity shares at the end of the year	12,00,000	1,200	12,00,000	1,200
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 ₹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 2024		AS AT 31st MARCH 2023	
	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 Lakhs

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
I. Capital Reserve		
Funds received from GoK and interest earned		
Opening Balance	75,951.04	81,936.20
Addition during the year	26,305.78	2,050.80
Resumption during the year	-	(665.30)
(i) Revenue expenses transferred to P & L Account (Ref Note. 14)	(1,979.26)	(7,370.65)
(ii) Lease rent receivable from Government of Kerala	(0.00)	(0.00)
Closing balance	1,00,277.56	75,951.04
II. Surplus		
Loss for the period upto 31-03-2016	(6,010.67)	(6,010.67)
Total Reserves and Surplus (I + II + III)	94,266.89	69,940.37

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2.1 Purpose of Grant received from GoK for the current year

Amount ₹ in Lakhs

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
GO (Rt) No.823_2023_F&PD dt.13.10.2023 (Kerosene Payment to Engine owners)	456.70	46.60
G.O.(Rt)No.822/2023/F&P dt. 13.10.2023 (Arbitration, administrative charges etc)	1,625.00	1,397.00
GO (Rt) No.749_2023_F&PD dt.23.09.2023 (Breakwater Payment)	8,400.00	73.20
GO (Rt) No.849_2023_F&P dt.28.10.2023 (Reception of first ship at Vizhinjam Port (Adv. & other Exp)	33.78	-
GO (Rt) No.839_2023_F&P dt.20.10.2023 (Rehabilitation Payment)	222.60	-
GO (Rt) No.90_2024_F&P dt.12.02.2024 (Breakwater Payment)	5,000.00	-
GO (Rt) No.186_2024_F&P dt.26.03.2024 (Breakwater Payment)	9,507.00	-
Loan interest directly paid by Gok to KFC Loan # 311257410	191.01	-
Loan interest directly paid by Gok to KFC Loan # 121261310	204.38	-
Add: Amount re-credited by government	665.31	534.00
G.O.(Rt)No.462/2023/F&P dt. 13.06.2023 (Administrative expense)		
Total Grant Received During the Year	26,305.78	2,050.80
Less: Amount taken back by Government	-	(665.30)
Total Grant for the Year after resemption	26,305.78	1,385.49
Interest earned on unutilised grant	-	-
TOTAL	26,305.78	1,385.49

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 ₹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:

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Amount ₹ in Lakhs

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Funds received from GoK		
Opening Balance	96,672.61	95,287.12
Add: Funds received during the year	26,305.78	1,385.49
Total Receipt	1,22,978.39	96,672.61
Less: Share Capital issued in prior years	1,200.00	1,200.00
Less: Share Capital issued during the year		
Closing Balance (A)	1,21,778.39	95,472.61
Interest earned treated as part of Capital Reserve		
Opening Balance	1,981.51	1,981.51
Add: Interest earned treated as part of Reserve during the year		
Closing Balance (B)	1,981.51	1,981.51
Lease rent receivable from GoK		
Opening Balance	0.00	0.00
Add: Receivable for the year	0.00	0.00
Closing Balance (C)	0.00	0.00
Revenue expenses transferred to P & L Account		
Opening Balance	21,503.08	14,132.43
Add: Transfer during the year	1,979.26	7,370.65
Closing Balance (D)	23,482.34	21,503.08
Balance in Capital Reserve (A + B - C - D)	1,00,277.56	75,951.04

2.5 Financial Statement Analysis - Ratios

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023	% of change	Reason For change
Liquidity Ratio				
Current Ratio <i>(Current Ratio = Current Assets/ Current Liabilities)</i>	3.98%	5.65%	-1.67%	Increase in Current Liabilities from previous year
Quick Ratio <i>(Quick Ratio = Quick Assets/Current Liabilities)</i>	2.37%	4.72%	-2.35%	Increase in Current Liabilities Assets from previous year
Asset Turnover Ratio <i>(Asset Turnover Ratio = Net Sales / Average Total Assets)</i>	0.00%	0.00%	0.00%	No change
Profitability Ratio				
Net Profit Ratio <i>(Net Profit Margin = Net Profit/ Total Revenue x 100)</i>	0.00%	0.00%	0.00%	No change
Leverage Ratio				
Debt Equity Ratio <i>(Debt Equity Ratio = Total Loan Liabilities / Shareholder's Equity)</i>	36.93%	14.06%	22.87%	Loan taken from KFC during the FY

Note No. 3 - Other Long Term Liabilities

Amount ₹ in Lakhs

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Mobilisation Advance Fund for Payment to AVPPL	29,260.00	29,260.00
Interest Payable to GoK on Mobilisation Advance to AVPPL	11,983.55	10,002.39
Total Other Long Term Liabilities	41,243.55	39,262.39

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3.1 GoK has so far released an amount of ₹30,000 lakh 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 ₹740 lakh 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 31-03-2024 amounts to ₹11,983.55 lakh.

Note No. 4 - Long Term Provisions*Amount ₹ in Lakhs*

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Provision for Gratuity	14.18	11.28
Total Non Current Liabilities	14.18	11.28

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 Lakhs*

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Payable for Capital Expenses	51.99	51.94
Guarantee Commission Payable to GoK	264.43	0.21
Other Expenses Payable	254.81	270.63
Statutory Dues Payable	248.88	191.94
Security Deposits	7.24	5.56
Income Received in Advance	-	-
Short Term Loan from KERALA FINANCIAL CORPORATION	-	10,002.56
Other Liabilities	53.26	49.53
Total Other Current Liabilities	880.61	10,572.37

5.1 Statutory Dues Payable :

Statutory dues payable consists of IT-TDS-₹0.137 lakh (P.Y. ₹8.022 lakh), GST-₹4.393 lakh (P.Y. ₹12.321 lakh), GST-TDS-₹242.1 lakh (P.Y. ₹169.64 lakh), PF-₹2.148 lakh (P.Y. ₹1.934 lakh), ESI-₹0.022 lakh (P.Y. ₹0.022 lakh), MEDICEP-₹0.01 lakh (P.Y. ₹0.005 lakh), SLI-₹0.033 lakh (P.Y. ₹0 lakh), GIS-₹0.03 lakh (P.Y. ₹0 lakh), Prof. Tax-₹0.006 lakh (P.Y. ₹0 lakh) which were remitted after 31-03-2024.

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 ₹50 lakh 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 @ ₹62.92 lakh each. However Vinod was paid only an amount of ₹12.92 lakh and ₹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 Honorable 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 up to 31-03-24 amounting to ₹48.63 lakh is included in other liabilities shown above to be appropriated pending direction from the High Court.

5.3 Other current liabilities, where short tem loan from KFC is shown separately at "Note No. 6 - Short Term Loans" as per direction of the AG last year and the previous year figure in note Note No. 6 not altered due to audit already completed.

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Note No. 6 - Short Term Loans*Amount ₹ in Lakhs*

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Short Term Loan from KERALA FINANCIAL CORPORATION	35,257.14	-
Total Non Current Liabilities	35,257.14	-

6.1 A Short Term loan from KERALA FINANCIAL CORPORATION taken for meeting short term requirements on 31.03.2023 for ₹10,000 lakh vide GO (MS) No.60/2023 dated 30/3/2023 at interest rate of 9.35%. On 14-06-2024 the GoK has extended the term loan for further one year vide GO (Rt) No.287/2024/F&P dated 14-06-2024 under the same terms. And the balance of ₹35,257.14 lakh which is including Loan outstanding of ₹32,500 lakh and interest payable of ₹2,757.14 lakh as on 31.03.2024.

Note No. 7 - Short Term Provisions*Amount ₹ in Lakhs*

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Provision for Expenses	12,657.67	1,844.71
Total Short Term Provisions	12,657.67	1,844.71

7.1 Provision for Expenses – Provision for KSEB GIS Substation Execution charge

The company has paid ₹5,099.25 lakh 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 ₹570.35 lakh was received for the period up to 31-03-15 and an amount of ₹4,528.90 lakh was lying as advance with KESB. A final bill from KSEB has been received on 01.04.2024 for ₹6,322.82 lakh including additional liability of ₹1,793.91 lakh. On 01.08.2024, a balance demand from KSEB was received against the Right of way compensation paid for the period of 2023-24 for ₹186.89 lakh as additional liability. Hence a total provision for KSEB GIS Substation Execution charges as on 31-03-2024 is ₹1,980.80 lakh.

7.2 Provision for Expenses – Provision for Funded work-Break Water Construction

As per the Concessionaire Agreement VISL has to pay 25% of funded work as first instalment, 25% as second, third and as final instalment. As on 31.03.2024 being 60% of work completed, the Concessionaire is entitled to receive a total amount of ₹65,813.5 lakh ie., 50% of the Total funded work of ₹1,38,700 lakh less Cost of Spur Break Water ₹7,073 lakh. Out of which Invoice for ₹55,178.1/- has been received from M/s AVPPL as on 31.03.2024 and was fully paid and the balance payable as on 31.03.2024 was ₹10,635.4 lakh

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Note No. 8 - Property, Plant and Equipment

Description	Gross Block				Depreciation / Amortisation			Net Block	
	AS AT 31st MARCH 2023	Additions / Adjustments	Disposals / Adjustments	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023	For the year	AS AT 31st MARCH 2024	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
8.1									
Tangible assets									
Land	68,899.40	1,859.13	-	70,758.53	-	-	-	70,758.53	68,899.40
Plant and Equipments	781.15	-	-	781.15	520.88	26.01	546.88	234.27	260.28
Furniture and Fixtures	137.69	1.20	-	138.89	78.36	15.17	93.53	45.36	59.33
Vehicles	13.46	-	0.38	13.09	12.82	-	12.82	0.27	0.65
Office Equipments	14.72	0.15	-	14.86	11.89	1.08	12.97	1.90	2.83
Computer and Accessories	37.09	5.58	-	42.67	32.43	3.19	35.62	7.05	4.66
Total Tangible Assets	69,883.51	1,866.06	0.38	71,749.20	656.37	45.44	701.82	71,047.38	69,227.14
8.2									
Intangible assets									
Computer Software	14.63	-	-	14.63	14.60	0.02	14.62	0.00	0.02
Total Intangible Asset	14.63	-	-	14.63	14.60	0.02	14.62	0.00	0.02
8.3									
Capital Work in Progress									
Break Water Construction	10,000.00	55,813.50	-	65,813.50	-	-	-	65,813.50	10,000.00
Break Water- Loan Interest	-	3,341.07	-	3,341.07	-	-	-	3,341.07	-
Rail Connectivity	1,429.96	51.21	-	1,481.17	-	-	-	1,481.17	1,429.96
Water Supply System	-	-	-	-	-	-	-	-	-
Interior Furnishing - HO	-	-	-	-	-	-	-	-	-
	11,429.96	59,205.78	-	70,635.74	-	-	-	70,635.74	11,429.96
Grand Total	81,328.10	61,071.84	0.38	1,42,399.56	670.98	45.47	716.44	1,41,683.12	80,657.12
Previous Year	70,957.08	10,371.02	-	81,328.10	617.32	53.66	670.98	80,657.12	70,339.76

Amount ₹ in Lakhs

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8.4 Agewise details of Capital Work In Progress as on 31-03-2024

Particulars	Amount ₹ in Lakhs				Total
	less than 1 year	1 to 2 year	2 to 3 year	more than 3 year	
Break Water Construction	55,813.50	10,000.00	-	-	65,813.50
Break Water- Loan Interest Capitalised	3,341.07	-	-	-	3,341.07
Rail Connectivity	51.21	-	-	1,429.96	1,481.17
TOTAL	59,205.78	10,000.00	-	1,429.96	70,635.74

8.5 As per the Concessionaire Agreement VISL has to pay 25% of funded work as first instalment, 25% as second, third and as final instalment. As on 31.03.2024 the Concessionaire is entitled to receive an amount of ₹65,813.5 lakh out of which Invoice for ₹55,178.1 lakh has been received from M/s AVPPL as on 31.03.2024 and was fully paid.

8.6 Due to the delay in approving loan from HUDCO/NABARD and the immediate requirement of fund for making payment to Concessionaire as per the Concession Agreement, VISL approached Kerala Financial Corporation for Loan and Kerala Financial Corporation has approved a Short Term Loan of ₹50,000 lakh with a rate of interest of 9.35% per annum vide letter No. KFC/B.O/TVM/2416/2023 dt. 31.03.2023. Further, due to delay in approving loan from HUDCO/NABARD, GoK has extended the short term loan period for one year with effect from 30.04.2024 with a rate of interest of 9.50% per annum vide Government Order GO.(Rt) No.287/2024/F&P Dated. 14.06.2024.

As per AS 16, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset should be capitalized as part of the cost of that asset. Hence Interest on Loan for Break Water construction is also included in the Capital Work In Progress.

8.7 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 Lakhs	
	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Cost of land (Opening)	68,899.40	68,863.06
<i>Additions during the year :</i>		
Value of land	1,845.91	-
Value of buildings / structures	-	-
Value of trees	-	-
R & R Package	-	-
LA Expenditure	13.22	36.35
Cost of land (Closing)	70,758.53	68,899.40

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

Particulars	AS AT 31st MARCH	
	2024	2023
Opening Balance	220.090	220.090
Addition during the year	1.653	-
Less : Area for Seafood Park disclosed separately in Note 8.10	(3.478)	(3.478)
Total Area in Acres	218.265	216.612

Out of 218.265 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 ₹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.

8.9 A total area of 5.621 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 31-03-24. In this, 2 plots totaling to 0.10 acres of land is available for allotment (not handed over) and balance 1.021 acres represent road and common area. The total cost of land and rehabilitation expenses up to 31-03-2024 is capitalised in line with Accounting Standard 10 (Property, Plant and Equipment).

8.10 An area of 3.478 acres of land is purchased for setting up sea-food park as part of social welfare measure.

8.11 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.

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Note No. 9 - Long Term Loans and Advances

Amount ₹ in Lakhs

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Unsecured, considered good		
Capital Advances	510.89	2,074.81
Security Deposits	1.03	1.51
Income Tax Refund Due	138.81	132.48
Service tax Pre deposit	0.70	0.70
Total Long Term Loans and Advances	651.42	2,209.50

9.1a Capital Advances – Advance with Spl. Tahasildar

An amount of ₹ 253.30 lakh is lying as Land Advance for Court enhancement (LAR)_Special Tahsildar as on 31-03-2024 to be utilized for enhancement of land value as per court orders and an amount of ₹257.12 lakh is lying as Land Advance for Acquisition (LA)_Special Tahsildar as on 31-03-2024 to be utilized for acquisition of land. During the year an amount of ₹5.96 lakh was deposited in Neyattinkara sub court as per directions towards enhanced compensation in Land acquisition cases and an amount of ₹278.50 lakh was deposited for the land acquisition. Total amount capitalised to Land Account on final settlement through Court amounts to ₹1,839.95 lakh.

9.1b An amount of ₹0.50 lakh was given to the Special Tahsildar Office as imprest amount for meeting petty office expenses and the balance of ₹0.46 lakh as on 05-08-2020. The Special Tahsildar office was stopped and a letter confirming the balance from the Special Tahsildar_LA (Letter # A-01/2020 dt. 05.08.2020) has been received. The letter stated that , in the absence of clear guidelines with respect to the transferring the said amount, further action to transfer the amount will be taken after getting instructions from the District Collector.

9.2 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 favorable order for the AY 2010-11 dt 15-06-2016. Similarly for AY 2009-10 the company received a favorable 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:

Amount ₹ in Lakhs

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)	-	Refundable amount of ₹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)	21.39	Refundable amount of Rs. 8,90,390 as per order is adjusted against tax demand of AY 2012-13. ₹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	(4.04)	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	49.43	Net tax payable as per IT is ₹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.	(215.87)	59.40	Refundable amount of ₹59,39,976/- as per order is adjusted against tax demand of AY 2011-12, ₹4,04,190/-, AY 2012-13. ₹43,02,810/- , AY 2014-15 ₹9,00,530/- & AY 2016-17 ₹3,29,080/- as per 26AS (AY 2020-21).

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6	AY 2014-15:- Order of Assessing Officer u/s 143(3) dt 05-12-16.		9.01	-	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.		6.17	1.23	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	-	The company filed an appeal before CIT (Appeals) against the Assessment order on 17-01-2019.
9	AY 2018-19:- Order of Assessing Officer u/s 154 dt 05-05-20.		5.38	1.33	The company filed rectification petition to the assessment officer on 22-01-2021.
10	AY 2019-20:- Order pending		-	1.09	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.		6.39	0.48	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.		0.82	0.26	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	123.50
Less: Prepaid taxes as per assessment orders	-113.23
Net tax liability based on orders passed	<u>10.27</u>

Prepaid taxes as per books of accounts	138.81
Less: Refund receivable / received during subsequent year	-20.91
Less: TDS Receivable (Assessment to be completed AY 2019-20)	-1.43
Less: TDS Receivable 2022-23	0.00
Less: TDS Receivable 2023-24 (Assessment to be completed)	-7.01
Less: TCS for the year	-0.27
Add: Demand for AY 2011-12 adjusted by IT against refund due	4.04
Prepaid taxes as per assessment orders for AY 2011-12 to 2018-19	<u>113.23</u>

As the company has already received favorable 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.

9.3 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 (₹ 67.53750 lakh) 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 favorably 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 (₹6.95637 lakh x 7.50 %) was remitted for filing appeal. Total demand including interest and penalty up to 31-08-2024 works out to ₹28.36 lakh. A payment of ₹0.17391 lakh (Management Consultant Services Tax Collections ₹0.16885 lakh, Education Cess on Service Tax ₹0.00338 lakh and Education Cess on Secondary & Higher Education - Tax Collection ₹0.00168 lakh) 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. 10 - Other Non Current Assets

Amount ₹ in Lakhs

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Adani Vizhinjam Port Private Limited-Mobilisation Advance	29,260.00	29,260.00
Interest Accrued on Mobilisation Adv to AVPPL	11,983.55	10,002.39
Total Other Non Current Assets	41,243.55	39,262.39

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10.1 An amount of ₹29,260 lakh was 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 31-03-2024 amounts to ₹11,983.55 lakh.

Note No. 11 - Cash and Bank Balances

Particulars	Amount ₹ in Lakhs	
	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Cash and Cash Equivalents		
Cash in hand	0.13	0.59
Balances with Banks		
In Current Accounts	286.90	492.27
In Treasury Savings Bank Accounts	774.50	1.27
In Deposit Accounts with maturity less than 3 months	-	-
Other Bank Balances		
Earmarked balances with banks	96.12	92.38
Total Cash and Cash Equivalents	1,157.66	586.51

11.1 Earmarked balances with banks represents an amount of ₹50 lakh deposited with State Bank of India, Statue, Thiruvananthapuram by FD No. 671-85-443159 plus interest accrued as on 31-03-24 ₹46.12 lakh- (after TDS) 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 Honorable High Court of Kerala in order WP (C) No. 10971/2012 (V) dt 29th May 2012.

Note No. 12 - Short Term Loans and Advances

Particulars	Amount ₹ in Lakhs	
	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Unsecured, considered good		
Short Term Loans and Advances		
Prepaid Expenses	4.14	4.21
GST Cash Ledger	255.77	0.13
Other Advances	-	(2.77)
Total Short Term Loans and Advances	259.90	1.56

Note No. 13 - Other Current Assets

Particulars	Amount ₹ in Lakhs	
	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Interest accrued on Electricity Deposit	-	-
Interest accrued on Bank Fixed Deposit	-	-
Rail Vikas Nigam Ltd. (RVNL) Deposit amount receivable	-	-
Matsyafed	382.26	18.91
Adani Vizhinjam Port Private Limited	139.35	93.54
GST Credit receivable	1.17	-
Grant receivable	-	-
Stipend claim receivable	1.61	1.61
Total Other Current Assets	524.38	114.05

13.1 Advance with Matsyafed represents amount pending to be charged against Income / Grant from Gok account due to non receipt of utilisation certificate from Matsyafed.

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NOTES ON STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2024**Note No. 14 - Other Income***Amount ₹ in Lakhs*

Particulars	YEAR ENDED 31st MARCH 2024	YEAR ENDED 31st MARCH 2023
Funds Received from GoK allocated for revenue expenses (Balance figure of below items from total expenses in P&L) (Ref Note 2.1 to 2.4)	1,979.26	7,370.65
Overstated depreciation of previous years written back	-	-
Sale of Usufructs	1.13	-
Sale of Trees	-	-
Interest Received on Electricity Deposit	0.04	-
Interest Received on Income Tax	0.04	-
Lease Rent from Government of Kerala	0.00	0.00
Profit on Sale of Asset	0.57	-
Prior Period items	0.24	-
Other Misc Income	0.33	1.41
Total Other Income	1,981.61	7,372.06

14.1 Income in Foreign currency

Amount ₹ in Lakhs

Particulars	YEAR ENDED 31st MARCH 2024	YEAR ENDED 31st MARCH 2023
Earnings in Foreign Currency	Nil	Nil

Note No. 15 - Employee Benefits Expenses*Amount ₹ in Lakhs*

Particulars	YEAR ENDED 31st MARCH 2024	YEAR ENDED 31st MARCH 2023
Salaries and Wages	160.34	158.13
Contribution to Provident & Other funds	15.76	19.32
Staff Welfare Expenses	5.72	5.38
Total Employee Benefits	181.82	182.83

Note No. 16 - Other Expenses*Amount ₹ in Lakhs*

Particulars	YEAR ENDED 31st MARCH 2024	YEAR ENDED 31st MARCH 2023
Electricity Charges	6.83	6.10
Rent	35.89	35.89
Professional and Consultancy fees	141.03	159.62
Out of Pocket Exp to Consultants	-	-
Office Expenses	73.96	44.17
Payment to Auditors (Ref. 15.2 below)	1.47	1.37
Communication Expenses	3.84	3.49

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Printing and stationery	9.22	6.46
Prior Period Items	-	7.20
Repairs and Maintenance	5.84	5.03
Vehicle Running Expenses	1.09	1.30
Car Hiring Charges	55.41	51.34
Travelling & Conveyance Expenses	27.11	6.56
Conference and Seminar Expenses	4.10	14.98
Recruitment Expenses	1.09	2.30
Rates and Taxes	12.09	0.39
Bank Charges	1.08	1.08
Interest on Loan - Project Expense	-	2.56
Security Charges	18.63	18.83
Advertisement Expenses	5.61	11.23
Legal Fees	17.16	9.39
Arbitration Expense	438.26	212.50
Property Plant & Equipment - Written off	-	-
Operations & Maintenance - Water Supply System	-	-
Livelihood compensation for Project affected persons	286.02	5.60
Financial Assistance to Self Help Group	-	-
Social Welfare Expenses	20.24	8.10
Other Project Expenses	323.94	6,519.88
Guarantee Commission	264.43	0.21
Total Other Expenses	1,754.32	7,135.57

16.1 Expenditure in Foreign currency:

Amount ₹ in Lakhs

Particulars	YEAR ENDED 31st MARCH 2024	YEAR ENDED 31st MARCH 2023
Expenditure in Foreign Currency	NIL	Nil

16.2 Payment to Auditors

Amount ₹ in Lakhs

Particulars	YEAR ENDED 31st MARCH 2024	YEAR ENDED 31st MARCH 2023
Statutory Audit fee	1.24	1.16
GST / reversal	0.22	0.21
Other Services - GST Audit	-	-
Reimbursement of Expenses	-	-
Total	1.47	1.37

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16.3 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 31-03-2024 a total of ₹10,911.05 lakh was paid as compensation to rehabilitate 262 Mussel/Lobster workers, 51 Kattamaram workers, 868 Shoresiene workers, 11 Shoreseine Allied Women Workers, 211 resort workers, 33 Self Help Group Workers , kerosene to 2,056 engines & payments to other Social Welfare activities at Project Affected Area, out of which an amount of ₹669.61 lakh incurred during the year.

Note No. 17 - Interest on Loan*Amount ₹ in Lakhs*

Particulars	YEAR ENDED	YEAR ENDED
	31st MARCH 2024	31st MARCH 2023
Interest on Loan - Project Expense	-	-
Total Other Expenses	-	-

17.1 NABARD has approved a Term Loan of ₹21,00,00 Lakh with a rate of interest of 8.4% per annum vide letter No: NB(Kerala)BID/10269/NIDA282/2024-25 dt. 10.06.2024. These loans are mainly for (i) Construction of Break Water / Fishing Harbor, (ii) Acquisition of land for Rail and Port, (iii) Equity Support and Grant, and (iv) Construction of Rail connectivity. Among these components, Interest on Equity Support and Grant is considered as revenue expense in nature and all others are considered as capital In nature. The interest on loan for Project Expenses for the year ended 31.03.2024 is ₹NIL.

Note No. 18. 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. 19 - Material 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.

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) Borrowing Costs

Borrowing costs are capitalised as part of the cost of a qualifying asset when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

ix) 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.

x) 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 ₹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.

xi) 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.

xii) 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.

xiii) 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.

xiv) 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.

(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.

xv) 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.

xvi) 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.

xvii) 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.

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Note No. 20 - Other Notes on Accounts

20.1 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.

20.2 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31.03.2024. 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.

20.3 Contingent Liabilities & Commitments

Amount ₹ in Lakhs

	Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
(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 ₹113.23 lakh is adjusted by the Assessing Officer against this liability) (Ref. Note No. 9.2).	123.50	116.29
(ii)	Disputed Service Tax liability for which the Company preferred appeal before Service Tax Appellate Tribunal (Pre-deposit made by the company ₹69,564) (Ref. Note No. 9.3).	28.36	23.48
(iii)	Dispute in case of categorisation of land for paying compensation on purchase & Rehabilitation compensation pending before various legal forums.	869.98	869.98
(iv)	Dispute in payment of rent for Special Tahsildar Office at Vizhinjam in Building belonging to Harbor 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 ₹9.55 lakh.	6.79	6.79
(b)	Commitments:	-	-
(i)	Estimated amount of contracts remaining to be executed and not provided for	37,489.19	146.02
(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.	2,871.53	3,103.35
	Total	41,389.35	4,265.92

(c) Out of 218.265 acres of land procured by the company for port development, an area of 27.827 acres of land is acquired under the Land Acquisition Act. There are about 47 cases pending before Honorable Neyattinkara sub court claiming higher compensation which are at various stages of hearing. As on 05-03-2024, an amount of ₹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.

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- (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 ₹5,099.25 lakh based on estimated cost as 100% advance. So far the company has received statement of account to the tune of ₹570.35 lakh from KSEB and the advance lying with KSEB is ₹4528.90 lakh (Ref Note 7.1). 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 ₹6,322.82 lakh including addition liability of ₹1,793.91 lakh. On 01.08.2024, a balance demand from KSEB was received against the Right of way compensation paid for the period of 2023-24 for ₹186.89 lakh as additional liability. Since the project is completed, these additional liabilities are 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 ₹1,046 lakh 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 and NABARD have agreed to consider financing the project and accordingly, VISL has enquired for proposals from both the parties. Based on comparison of both proposals, the loan sanctioned by NABARD is more feasible due to the lower interest rate and VISL submitted loan application to borrow an amount of ₹2,10,000 lakh. Vide GO (Ms) No. 15/2024/F&PD dated 08-08-2024 GoK has issued guarantee to NABARD to borrow ₹2,10,000 lakh 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 harbor) is agreed at ₹1,46,300 lakh. 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 ₹29,260 lakh crore is paid as Mobilisation Advance as on 31-03-2024.
- (ii) As per clause 25.1.1 of the Concession Agreement executed between GoK & AVPPL, the Authority agrees to provide ₹1,63,500 lakh 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 ₹81,780 lakh and GoK will provide a grant of ₹81,720 lakh. GoK's share of Grant to be paid during construction period amounting to ₹40,890 lakh will be raised from NABARD.
- (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.

20.4 Disclosure on Deferred Taxation:

Since the Company is not earning any taxable profit during the year and also anticipate the company to be in profit in the near future, the provision for Deferred Taxation is not considered.

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20.5 Employee Benefits

(i) Defined Contribution Plan

Amount recognised in the Statement of Profit and Loss:

Amount ₹ in Lakhs

Particulars	YEAR ENDED 31st	YEAR ENDED 31st
	MARCH 2024	MARCH 2023
(a) Provident fund contributions	11.06	12.37
(b) Employees State Insurance contributions	0.22	0.27
(c) Pension Contribution - Deputation staff	4.48	6.68

(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

Amount ₹ in Lakhs

Particulars	Gratuity - Funded		Leave encashment - Non Funded	
	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Present Value of Obligations at the beginning of the period	42.13	33.47	25.01	22.03
Interest cost	2.81	2.28	1.39	1.49
Current service cost	3.37	2.98	2.24	2.07
Benefits paid	(5.68)	(1.39)	(11.10)	(1.04)
Actuarial gain/(loss)	(1.20)	4.78	3.72	0.45
Present value of obligations at the end of the period	41.43	42.13	21.26	25.01

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

Amount ₹ in Lakhs

Particulars	Gratuity - Funded		Leave encashment - Non Funded	
	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Fair Value of Plan Assets at the beginning of the period	30.74	29.17	-	-
Expected Return (i)	2.10	2.18	-	-
Actuarial Gain/(loss) (ii)	(0.32)	(0.49)	-	-
Actual Return on Plan assets (i+ii)	1.79	1.70	-	-
Contribution by employer	0.30	1.26	-	-
Benefits paid	(5.68)	(1.39)	-	-
Fair Value of Plan Assets at the end of the period	27.14	30.74	-	-

(c) Amount recognised in Balance sheet (a-b)

14.28	11.38	21.26	25.01
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VIZHINJAM INTERNATIONAL SEAPORT LIMITED

(CIN No. U45309KL2004SGC017685)

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

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

Particulars	Gratuity - Funded		Leave encashment - Non Funded	
	YEAR ENDED 31st MARCH 2024	YEAR ENDED 31st MARCH 2023	YEAR ENDED 31st MARCH 2024	YEAR ENDED 31st MARCH 2023
Current service cost	3.37	2.98	2.24	2.07
Interest cost	2.81	2.28	1.39	1.49
Expected Return on Plan Assets	(2.10)	(2.18)	-	-
Actuarial gain/(loss)	(0.88)	5.27	3.72	0.45
Expenses for the year	3.20	8.35	7.36	4.02

(e) Key assumptions:

Particulars	Gratuity - Funded		Leave encashment - Non Funded	
	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
Mortality table	2012-14	2012-14	2012-14	2012-14
Attrition rate	Modified q(x) values under above Mortality Table			
Discount rate	6.975 % p.a	7.160 % p.a	6.975 % p.a	7.160 % 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	8.02	8.11	8.02	8.11

20.6 Related Party Disclosures:

A Enterprises where control exists:

Nil

B Other Related Parties:

Key Management Personnel

Mr. Sreekumar K Nair, CEO

Dr. Jayakumar, CEO

Ms. Suma Sankaran, Company Secretary & Chief Administrative Officer

Mr. Girish Kumar M, Chief Finance Officer

Amount ₹ in Lakhs

Particulars	AS AT 31st MARCH 2024	AS AT 31st MARCH 2023
C Transactions during the year with Related Parties:		
Key Management Personnel		
Remuneration	59.16	50.12

20.7 Earnings per Share:

Amount ₹ in Lakhs

Particulars	YEAR ENDED 31st MARCH 2024	YEAR ENDED 31st MARCH 2023
Profit /(Loss) available to Equity Share Holders	-	-
Nominal Value of Shares	0.00	0.00
Weighted Average number of Equity Shares	12.00	12.00
Basic and diluted Earnings /(Loss) Per Share	-	-

VIZHINJAM INTERNATIONAL SEAPORT LIMITED

(CIN No. U45309KL2004SGC017685)

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

20.8 On 07-11-2020 notice of invoking arbitration was issued by the Concessionaire claiming and extension of five year in the concession period and in the project completion schedule on account Force Majeure Events. In addition to that , concessionaire raised a total financial claim of ₹3,78,500 lakh under various 8 claims, and subsequently 25-09-2021 the Arbitration tribunal was constituted. On 28.10.2023 The Concessionaire had expressed its willingness to withdraw the Arbitration based on certain terms and conditions. These were placed before a High Level Committee convened by the Chief Secretary on 08.01.2024. The Committee was of the view that the Concession Period should not be extended and the Premium Sharing date should not be changed. At the meeting, the Committee had requested the Concessionaire to share their contentions for the delay in implementing the Project. The Concessionaire had reported that challenges faced Cyclones, adverse weather conditions, Floods, Covid 19 pandemic, Public Agitation and other Force Majeure situation .etc. Thereafter, with the legal opinion received from the Advocate General, Government were pleased to issue orders condoning the delay of the Scheduled Completion Date as well as the extension of the Concession Period by five years subject to the following conditions:

- (i) AVPPL shall withdraw all the arbitration claims filed before the arbitral tribunal;
- (ii) The Revenue sharing should remain the same i.e. the 15th Anniversary (from 2034) as per the Concession Agreement;
- (iii) The capacity augmentation shall be achieved by 2028 itself;

In addition to the above, following financial arrangements shall be made with AVPPL:

- i) An amount of ₹21,900 lakh is withheld as Commitment Fee Deposit from the Equity Support to be given by Government of Kerala to AVPPL.
- ii) From the amount so withheld, an amount of ₹17,520 lakh (43.8 x 4) shall be released to AVPPL once the 2nd and 3rd phases of the project are completed in 2028.
- iii) An amount of ₹4,380 lakh shall be retained by GoK.

The Board noted the Government order, G.O.Ms (No.) 2/2024/F&PD dated 15.02.2024. Pursuant to the Government order, a Joint Memo of Settlement was executed on 20.02.2024. The Settlement Agreement was executed between the Government (Authority) and AVPPL on 23.02.2024 and subsequently the consent award was issued by the Tribunal.

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

Notes 1 to 20 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 GRA & Co. Chartered Accountants
Firm Regn. No. 010906S

Thiruvananthapuram
Date: 19.10.2024

Sd/-
T Ajithkumar, FCA, DISA (ICAI)
Partner (M.No.209348):UDIN - 24209348BKEOIM8667



**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 FOR THE
YEAR ENDED 31 MARCH 2024.**

The preparation of financial statements of **Vizhinjam International Seaport Limited** for the year ended **31 March 2024** 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 are 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 **19 October 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** for the year ended **31 March 2024** 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.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

Sd/-

**Thiruvananthapuram
Dated: 20.12.2024**

**PREETHI ABRAHAM
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: 9th FLOOR, KSRTC BUS TERMINAL COMPLEX,
THAMPANOR PO
THIRUVANANTHAPURAM ,695001
www.vizhinjampart.in
e-mail: mail@vizhinjampart.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 1199000 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 **20th Annual General Meeting/ Extraordinary General Meeting (Adjourned) of the Company, to be held on Tuesday, the 3rd day of February , 2026 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 **21st day of January , 2026.**

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

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: 9th FLOOR, KSRTC BUS TERMINAL COMPLEX,
THAMPANOR PO
THIRUVANANTHAPURAM ,695001
www.vizhinjamport.in
e-mail: mail@vizhinjamport.in

Name of the member (s): DR. A. KOWSIGAN, IAS
Registered address: SECRETARY TO GOVERNMENT, 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 **20th Annual General Meeting / Extraordinary General Meeting (Adjourned) of the Company, to be held on Tuesday, the 3rd day of February, 2026 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 **21st day of January, 2026.**

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
9th Floor, KSRTC Bus Terminal Complex
Thampanoor PO, Thiruvananthapuram-01

I, DR. A. KOWSIGAN, IAS of Thiruvananthapuram District , being member (s) of Vizhinjam International Seaport Ltd holding 1000 Equity shares of Rs. 10 .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 20th Annual General Meeting (Adjourned) on Tuesday, the 3rd day of February , 2026 at 3.00 PM at the Registered Office of the Company .

Signature.....

Name (In Block Letters) DR. A. KOWSIGAN, IAS

Dated the 21st day of January , 2026.