

INDEPENDENT AUDITOR'S REPORT

To the Members of Goa Sea Port Private Limited

Report on the Audit of the Ind AS Financial Statements**Opinion**

We have audited the accompanying Ind AS financial statements of Goa Sea Port Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 19 in the Ind AS financial statements relating to termination of concession agreement with the Mormugao Port Trust which is being disputed by the Company and company has made provision of assets amounting to Rs 1,96,36,964 which includes inventories of Rs 1,62,40,674 and balance with government authorities of Rs 33,02,848 has been made. Further the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net cash loss during the current and previous year and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 2(b), indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Our opinion is not qualified in respect of this matter.

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 Board of Directors report, but does not include the Ind AS financial statements and our auditor's report thereon.



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

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- ▶ Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) The matter described in Material Uncertainty on Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;



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- (f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021;
- (i) 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 does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses ;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Vikram Mehta

Partner

Membership Number: 105938

UDIN: 21105938AAAACB2414

Place of Signature: Mumbai

Date: April 29, 2021



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

- (i) The Company does not have any fixed assets and accordingly, the requirements under paragraph 3(i) (a), (b) and (c) of the order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of the clause 3(viii) is not applicable to the Company and hence not commented upon.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.



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- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013. The details of such transactions have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Vikram Mehta

Partner

Membership Number: 105938

UDIN: 21105938AAAACB2414

Place of Signature: Mumbai

Date: April 29, 2021



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GOA SEA PORT PRIVATE LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Goa Sea Port Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial



reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 With Reference to these Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Vikram Mehta

Partner

Membership Number: 105938

UDIN: 21105938AAAACB2414

Place of Signature: Mumbai

Date: April 29, 2021



GOA SEA PORT PRIVATE LIMITED
Balance Sheet as at March 31, 2021

	Notes	As at March 31, 2021	Amount in INR As at March 31, 2020
ASSETS			
Non-current assets			
Other Non-Current Assets	6	-	-
Current assets			
Inventories	4	-	16,240,674
Financial assets	5	-	-
Cash and cash equivalents	6	-	3,302,848
Other current assets		-	19,543,522
Total Assets		-	19,543,522
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	7	500,000	500,000
Other equity			
Retained Earnings		(33,820,301)	(13,633,230)
Total Equity		(33,320,301)	(13,133,230)
LIABILITIES			
Current liabilities			
Financial liabilities			
Trade payables			
Total outstanding dues of creditors other than micro and small enterprises	8	439,440	482,480
Other financial liabilities	9	32,843,361	32,144,272
Other current liabilities	10	37,500	50,000
		33,320,301	32,676,752
Total Liabilities		33,320,301	32,676,752
Total Equity and Liabilities		-	19,543,522
Summary of Significant Accounting Policies	3		
The accompanying notes are an integral part of the financial statements			


As per our report of even date

For and on behalf of Board of Directors of Goa Sea Port Private Limited

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E / E300003


per Vikram Mehta
Partner
Membership No. 105938
Place: Mumbai
Date: APRIL 29, 2021




Sauvick Mazumder
Director
DIN: 07558996
Place: Panaji-Goa
Date: April 29, 2021


Navin Kumar Jaju
Director
DIN 00669654




GOA SEA PORT PRIVATE LIMITED
Statement of Profit and Loss for the year ended March 31, 2021

	Notes	For the year ended March 31, 2021	Amount in INR For the year ended March 31, 2020
Income			
Revenue from operations		-	-
Total income		<u>-</u>	<u>-</u>
Expenses			
(Increase)/decrease in construction work-in-progress	11	-	-
Direct project costs	12	-	-
Employee benefits expense	13	-	-
Other expenses	14	550,107	556,683
Total expenses		<u>550,107</u>	<u>556,683</u>
Loss before Exceptional and extraordinary items and tax		(550,107)	(556,683)
Exceptional Gain/(loss)	15	(19,636,964)	-
Loss before extraordinary items and tax		<u>(20,187,071)</u>	<u>(556,683)</u>
Extraordinary Items		-	-
Loss before Tax		<u>(20,187,071)</u>	<u>(556,683)</u>
Tax expense		-	-
Current Tax		-	-
Deferred Tax		-	-
Loss for the period/ year		<u>(20,187,071)</u>	<u>(556,683)</u>
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>(20,187,071)</u>	<u>(556,683)</u>
Loss per equity share of Rs. 10 each			
Basic & Diluted	16	(404)	(11)
Summary of Significant Accounting Policies	3		
The accompanying notes are an integral part of the financial statements			


As per our report of even date

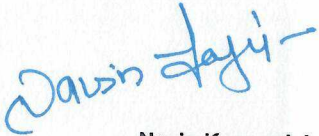
For and on behalf of Board of Directors of Goa Sea Port Private Limited

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No. 324982E / E300003


per **Vikram Mehta**
Partner
Membership No. 105938
Place: Mumbai
Date: **APRIL 29, 2021**




Sauvick Mazumder
Director
DIN: 07558996
Place: Panaji-Goa
Date: April 29, 2021



Navin Kumar Jaju
Director
DIN 00669654



GOA SEA PORT PRIVATE LIMITED
Statement Of Changes in Equity for the year ended March 31, 2021

Equity Share Capital

	Number of shares	Amount in INR
As at April 1, 2019	50,000	500,000
Issued during the year	-	-
As at March 31, 2020	50,000	500,000
Issued during the year	-	-
As at March 31, 2021	50,000	500,000

Other Equity


	Amount in INR Retained Earnings	Amount in INR Total Equity
Balance as at April 1, 2019	(13,076,547)	(13,076,547)
Add: Profit / (loss) during the year	(556,683)	(556,683)
Balance as at March 31, 2020	(13,633,230)	(13,633,230)
Balance as at March 31, 2020	(13,633,230)	(13,633,230)
Add: Profit / (loss) during the year	(20,187,071)	(20,187,071)
As at March 31, 2021	(33,820,301)	(33,820,301)

Summary of Significant Accounting Policies 3
 The accompanying notes are an integral part of the financial statements


As per our report of even date

For **S R B C & CO LLP**
 Chartered Accountants
 ICAI Firm Registration No. 324982E / E300003

For and on behalf of Board of Directors of Goa Sea Port
 Private Limited


 per **Vikram Mehta**
 Partner
 Membership No. 105938
 Place: Mumbai
 Date: **APRIL 29, 2021**




Sauvick Mazumder
 Director
 DIN: 07558996
 Place: Panaji-Goa
 Date: April 29, 2021


Navin Kumar Jaju
 Director
 DIN 00669654



GOA SEA PORT PRIVATE LIMITED

Cash Flow Statement for the year ended March 31, 2021

Particulars	Notes	Amount in INR	
		For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash flows from operating activities			
Net loss before tax		(20,187,071)	(556,683)
Working Capital Adjustments			
Decrease in inventories		16,240,674	-
Decrease in Other current and non-current assets		3,302,848	(107,755)
Increase in Other financial liabilities		699,089	1,221,788
Decrease in Trade Payables		(43,040)	(558,600)
Decrease in Other current liabilities		(12,500)	1,250
Taxes Paid		-	-
Net cash flows from operating activities		-	-
B. Cash flows from investing activities			
Capital advance		-	-
Net cash flows used in investing activities		-	-
C. Cash flows from financing activities			
Proceeds from issue of equity shares		-	-
Net cash flows from financing activities		-	-
Net increase in cash and cash equivalent		-	-
Cash and cash equivalents at beginning of the year		-	-
Cash and cash equivalents at the end of the year	5	-	-

Notes:

- The figures in bracket indicate outflows.
- The above cash flow has been prepared under the "indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.

Summary of Significant Accounting Policies

The accompanying notes are an integral part of the financial statements


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As per our report of even date

For **S R B C & CO LLP**

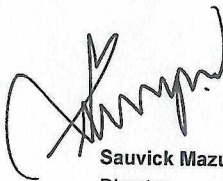
Chartered Accountants

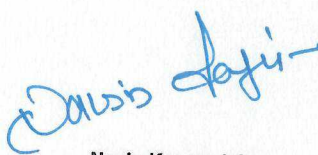
ICAI Firm Registration No. 324982E / E300003


per **Vikram Mehta**
Partner
Membership No. 105938
Place: Mumbai
Date: **APRIL 29, 2021**



For and on behalf of Board of Directors of Goa Sea Port Private Limited


Sauvick Mazumder
Director
DIN: 07558996
Place: Panaji-Goa
Date: April 29, 2021


Navin Kumar Jaju
Director
DIN 00669654



1. **Company Overview**

Goa Sea Port Private Limited (the "Company") has been incorporated on July 5, 2016 to set up, develop, establish, construct, operate and maintain a project related to redevelopment of certain berths at the Port of Mormugao, Goa (the "Project") under Design, Build, Finance, Operate and Transfer ("DBFOT") basis. A 'Concession Agreement' entered into between the Company and Board of Trustees for Mormugao Port Trust (the "Concessing Authority") granted the Company an exclusive licence for designing, engineering, financing, constructing, equipping, operating, maintaining and replacing the Project/Project Facilities and Services.

The Concession is granted for a period of 30 years commencing from Date of Award of Concession. The Company is entitled to recover tariff notified from time to time by the Tariff Authority for Major Ports, from the users of Project Facilities and Services. On the expiry of the Concession period the Company shall transfer the Project Assets to the Concessing Authority in accordance with the Concession Agreement.

2. **Basis of preparation of financial statements**

a) **Basis of preparation**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereof.

b) **Basis of measurement**

The Company has incurred losses during the current year. Further Vedanta Limited, the parent Company has through letter of support, agreed to continue to provide financial support to the Company for its continued operations atleast for next twelve months, if the Company is unable to meet its funding requirements.

The Company is therefore being viewed as a going concern and financial statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting.

3. **Significant accounting policies**

a) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets - Recognition

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

For purposes of subsequent measurement, financial assets are classified in below categories:

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.



Financial Assets - Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial liabilities – Recognition and Subsequent measurement

Financial liabilities are classified, at initial recognition, as financial liabilities fair value through profit or loss, or as loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost (Loans and Borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Financial liabilities - Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of any entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs, if any.

b) Taxation

Tax expense represents the sum of current tax and deferred tax.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years.

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognized only to the extent that it is more likely than not that they will be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside profit or loss is recognized outside profit or loss either in Other Comprehensive Income or Equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.



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

Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation, though the amount or timing is uncertain.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statements of profit or loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

d) **Revenue Recognition**

The Company has adopted Ind AS 115 Revenue from contracts with Customers with effect from April 1, 2018 which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most of the current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue when the control of the goods and services is transferred to the customer as against the transfer of risk and rewards. As per the Company's current revenue recognition practices, transfer of control happens at the same point as transfer of risk and rewards thus not effecting the revenue recognition. The amount of revenue recognised reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

Under this standard, services provided post transfer of control of goods are treated as separate performance obligation and requires proportionate revenue to be deferred along with associated costs and to be recognized over the period of service. The Company provides shipping and insurances services after the date of transfer of control of goods and therefore has identified it as a separate performance obligation. As per the result of evaluation of contracts of the relevant revenue streams, it is concluded that the impact of this change is immaterial to the Company and hence no accounting changes have been done.

The Company has adopted the modified transitional approach as permitted by the standard under which the comparative financial information is not restated. The accounting changes required by the standard are not having material effect on the Company financial statements and no transitional adjustment is recognised in retained earnings at April 1, 2018.

Contract revenue and contract cost associated with the construction of port are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed upto the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss. Contract revenue earned in excess of billing would be reflected as unbilled revenue and billing in excess of contract revenue would be reflected as unearned revenue.

Interest income is accounted on accrual basis using Effective Interest method. Dividend income is accounted for when the right to receive it is established.

e) **Earnings per share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.



f) **Current and Non-Current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- It is held primarily for the purpose of being traded;
- It is expected to be realized within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

g) **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

h) **Use of Estimates and Judgments**

The preparation of the financial statements in conformity with Ind AS which requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

i) **Intangibles under Development**

Expenditure related to and incurred during implementation of project are included under 'Intangibles under Development'. The same will be transferred to the respective intangible assets on completion of project.

j) **Construction Work in Progress**

Construction work in progress consists of direct construction cost and indirect construction cost to the extent to which the expenditure is related to the construction or incidental thereto. Construction work-in-progress is valued on the basis of technical assessment.



GOA SEA PORT PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2021

	Amount in INR	
4 Inventories		
	March 31, 2021	March 31, 2020
Construction work-in-progress	16,240,674	16,240,674
Less Provision for doubtful advances	(16,240,674)	-
	-	16,240,674
5 Cash and cash equivalents		
	March 31, 2021	March 31, 2019
Balances with banks in Current Account	-	-
	-	-
6 Other Assets (Unsecured, considered good)		
	March 31, 2021	
	Non-Current	Current
Balance with central excise and government authorities	-	3,386,290
Deposits		10,000
Less: Considered for Doubtful		(3,396,290)
	-	-
	March 31, 2020	
	Non-Current	Current
Balance with central excise and government authorities	-	3,292,848
Deposits		10,000
	-	3,302,848
7 Share Capital		
Authorised Equity Share Capital		
	Number of shares	Amount
At April 1, 2019	50,000	500,000
Issued during the year	-	-
At March 31, 2020	50,000	500,000
Issued during the year	-	-
At March 31, 2021	50,000	500,000

Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



GOA SEA PORT PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2021

Issued Equity Share Capital

At April 1, 2019
 Issued during the year
At March 31, 2020
 Issued during the year
At March 31, 2021

Number of shares	Amount
50,000	500,000
-	-
50,000	500,000
-	-
50,000	500,000

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Sterlite Ports Limited, Holding Company

49,999 (March 31, 2020: 49,999) Equity Shares of INR 10 each fully paid up

March 31, 2021	March 31, 2020
499,990	499,990

Details of shareholders holding more than 5% shares in the Company

Sterlite Ports Limited, Holding Company

March 31, 2021	
No. of Shares Held	% of Holding
49,999	99.99%

Sterlite Ports Limited, Holding Company

March 31, 2020	
No. of Shares Held	% of Holding
49,999	99.99%

8 Trade payables

Trade payables - other than acceptances

March 31, 2021	March 31, 2020
439,440	482,480
439,440	482,480

Notes

1. There are no amounts due to micro and small enterprises.
2. The trade payables are Non interest bearing and are normally settled in 30 days terms.

9 Other current financial liabilities

Due to related parties (refer note - 17)

March 31, 2021	March 31, 2020
32,843,361	32,144,272
32,843,361	32,144,272



GOA SEA PORT PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2021

10 Other current liabilities

	March 31, 2021	March 31, 2020
Statutory Liabilities	37,500	50,000
	37,500	50,000

11 (Increase)/decrease in construction work-in-progress

	March 31, 2021	March 31, 2020
Opening stock:		
Construction work-in-progress	16,240,674	16,240,674
Closing stock:		
Construction work-in-progress	16,240,674	16,240,674
	-	-

12 Direct project costs

	March 31, 2021	March 31, 2020
Project consultancy expenses	-	-
	-	-

13 Employee Benefits expense

	March 31, 2021	March 31, 2020
Salaries & Wages	-	-
	-	-

14 Other Expenses

	March 31, 2021	March 31, 2020
Conveyance & Travelling Expenses	-	-
Consultancy, Professional Fees	50,107	56,683
Payment to Auditors		
- For Statutory Audit	500,000	500,000
- Out of pocket expenses	-	-
Miscellaneous expenses	-	-
	550,107	556,683

15 Exceptional Items

	March 31, 2021	March 31, 2020
Impairment of inventories	16,240,674	-
Impairment of balance with central excise and government authorities and Deposits		
	3,396,290	-
	19,636,964	-

Impairment of inventories and balance with government authorities taken on the basis of termination letter received.

16 Earnings Per Share

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2021	March 31, 2020
Loss attributable to equity share holders	(20,187,071)	(556,683)
Weighted average number of equity shares for EPS	50,000	50,000
EPS - Basic & Diluted (Rs. per share)	(404)	(11)
Nominal Value of Shares (Rs. per share)	10	10



GOA SEA PORT PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2021

17 Related party disclosure**(a) List of related parties and relationships:**

Entity Controlling the Company (Holding Company)
 · Sterlite Ports Limited

Ultimate Holding Company and its intermediaries

Ultimate Holding Company
 · Volcan Investments Limited ('Volcan')

Intermediaries
 · Vedanta Limited (formerly known as Sesa Sterlite Limited)

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

Particulars	Amount in INR	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<u>Transactions during the year</u>		
Reimbursement of Expenses		
- Sterlite Ports Limited	-	-
- Vedanta Limited (Formerly Sesa Sterlite Limited)	699,089	1,221,788

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

Outstanding balance at year end

Particulars	Amount in INR	
	As at March 31, 2021	As at March 31, 2020
Other Payables		
- Sterlite Ports Limited	-	-
- Vedanta Limited (Formerly Sesa Sterlite Limited)	32,843,361	32,144,272

Terms and conditions of transactions with related parties

All transactions with related parties are made in ordinary course of business. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2021 & for the year ended March 31, 2020, the company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



18 Financial Instruments

(a) Risk management framework

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

The risk management process is coordinated by the Management Assurance function. The overall internal control environment and risk management programme including financial risk management is reviewed by the management.

The risk management framework aims to:

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

Treasury management

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

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury policies are approved by the Board and adherence to these policies is strictly monitored at the Finance Standing Committee. A monthly reporting system exists to inform senior management of investments, debt and currency. The company has a strong system of internal control which enables effective monitoring of adherence to company's policies. The internal control measures are effectively supplemented by regular internal audits.

(b) Financial risk

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

(i) Liquidity risk

The company requires funds both for short-term operational needs as well as for long-term investment projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short term investments provide liquidity both in the short-term as well as in the long term.

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

	As at March 31, 2021				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
<u>Current</u>					
Trade payables	439,440	-	-	-	439,440
Other current financial liabilities	32,843,361	-	-	-	32,843,361
Total	33,282,801	-	-	-	33,282,801
	As at March 31, 2020				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
<u>Current</u>					
- Trade payables	482,480	-	-	-	482,480
- Other current financial liabilities	32,144,272	-	-	-	32,144,272
Total	32,626,752	-	-	-	32,626,752



19 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for: Rs. 13,72,458 (Previous year Rs. 13,72,458).

20 Service Concession arrangement

Goa Sea Port Private Limited (GSPPL), a Wholly Owned Subsidiary (WOS) of Sterlite Ports Limited (SPL) WOS of Vedanta Limited ("the Company"), had entered in to concession agreement on 22nd September, 2016 with Mormugao Port Trust (MPT) for redevelopment of existing berths 8, 9, 9A and Barge berths at Mormugao Port, Goa for handling multiple Cargoes – iron ore exports with option to operate general cargo also on Design, Build, Finance, Operate and Transfer (DBFOT) basis for 30 years.

The Company undertakes to implement a project for Redevelopment of certain berths at Port of Mormugao. The project is to be carried out on a design, build, finance, operate, transfer basis and the concession agreement between Mormugao Port Trust ('MPT') and the Company was signed in September 2016. The Company will be awarded with the concession after fulfilling conditions stipulated as a precedent to the concession agreement. Mormugao Port Trust has provided, in lieu of license fee and royalty an exclusive license to the Company for designing, engineering, financing, constructing, equipping, operating, maintaining, and replacing the project/project facilities and services. The concession period is 30 years from the date of the award of concession. The upgraded capacity is 19.22 mmtpa and the Mormugao Port Trust would be entitled to receive 20.5% share of the Gross Revenue as royalty. The Company is entitled to recover a tariff from the user(s) of the project facilities and services as per its Tariff Authority for Major Ports(TAMP) notification. The tariff rates are linked to the Wholesale Price Index (WPI) and would accordingly be adjusted as specified in the concession agreement every year. The ownership of all infrastructure assets, buildings, structures, equipment and other immovable and movable assets constructed, installed, located, created or provided by the Company at the project site and/or in the port's assets pursuant to concession agreement would be with the Company until expiry of this concession agreement. The cost of any repair, replacement or restoration of the project facilities and services shall be borne by the Company during the concession period. The Company has to transfer all its rights, titles and interest in the assets comprised in the project facilities and services free of cost to MPT at the end of the concession period.

During the previous year, Company received a termination letter from MPT basis approval by their Board of Trustees, terminating the concession agreement and offered to return the Bank Guarantee unconditionally and allowed us to participate in future bids. The reason cited was non-fulfilment of conditions precedent by both the parties.

As per conditions precedent, MPT was responsible for obtaining Environment Clearance for the project along with handover of the project site, which MPT can't fulfil due to delay in environment clearance and issues related to handover of Berth 8.

In the current year, GSPPL vide its letter dated 01.11.2020 has accepted the termination of the Concession Agreement.

GSSPL has also requested to MPT to give an option to GSSPL to match the highest bidder in case any of the Berths no.8 & 9 or Barge Berths is rebid. This will also keep the door open to participate as and when the project is re-tendered.

Though Company has incurred losses during the current year, Vedanta Limited, the parent Company has through letter of support, agreed to continue financial support to the Company for its continued operations at least for next twelve months, if the company is unable to meet its funding requirements.

The company is therefore being viewed as being going concern and financial statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting.

20 Covid 19

World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this Government of India declared lockdown on March 24, 2020 which doesn't have any impact as Company has not started commercial operations yet. The Company will continue to closely monitor any material changes to future economic conditions.

21 Standards Issued but not effective

Since there were no standard issued but not effective at the time of signing of financial statement, the disclosure is not applicable.

22 Events after the reporting period

There are no significant events which have occurred after the reporting period.

As per our report of even date

For and on behalf of Board of Directors of Goa Sea Port Private Limited

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No. 324982E / E300003

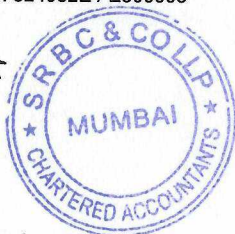
per Vikram Mehta

Partner

Membership No. 105938

Place: Mumbai

Date: APRIL 29, 2021



Sauvick Mazumder

Sauvick Mazumder

Director

DIN: 07558996

Place: Panaji-Goa

Date: April 29, 2021

Navin Kumar Jaju

Navin Kumar Jaju

Director

DIN 00669654

