

Annual Report 2021 - 22



A large, light gray illustration of a crane structure, showing the tower, jib, and pulley system, positioned on the left side of the page.

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Corporate Information

BOARD OF DIRECTORS

Shri. Rajiv Agarwal
Director & Chairman of the Board

Capt. B. S. Kumar
Independent Director

Dr. Jose Paul
Independent Director

Shri. Nikhil Naik
Nominee Director

Shri Bhaven Bhatt
Non-Executive Director

Shri Amit Bapna
Non-Executive Director

Shri Kamla Kant Sinha
Non-Executive Director

KEY MANAGERIAL PERSONNEL

Shri. Sant Khare
Chief Executive Officer

Shri. Ankush Goyal
Chief Financial Officer

Shri. Bhawani Shankar Thanvi
Company Secretary

AUDITORS

MSKA & Associates,
Chartered Accountants Floor 2,
Enterprise Centre,
Nehru Road, Near Domestic Airport,
Vileparle (East), Mumbai 400099,
Maharashtra, India.

REGISTRARS & TRANSFER AGENTS

Data Software Research Company
Private Limited 19, Pycroft
Garden Road, Off Haddows Road,
Nungambakkam,
Chennai 600006.
Tel: + 91 44 2821 3738, 2821 4487
Fax: +91 44 2821 4636
e-mail: essar.ports@dsrc-cid.in

AUDIT COMMITTEE

Capt. B. S. Kumar (Chairman)
Dr. Jose Paul
Shri. Nikhil Naik

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Shri. Rajiv Agarwal (Chairman)
Capt. B. S. Kumar
Dr. Jose Paul
Shri. Nikhil Naik

NOMINATION AND REMUNERATION COMMITTEE

Shri. Rajiv Agarwal (Chairman)
Dr. Jose Paul
Capt. B. S. Kumar
Shri. Nikhil Naik

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri. Rajiv Agarwal (Chairman)
Dr. Jose Paul
Capt. B. S. Kumar
Shri. Nikhil Naik

REGISTERED OFFICE

Salaya Administrative Building 44 KM,
P. O. Box No.7, Salaya, Taluka Khambhalia,
District Devbhumi Dwarka, Jamnagar,
Gujarat 361 305, India.
Tel: +91 2833 664440 - Fax: +91 2833 661366
e-mail: epl.secretarial@essarport.co.in

CORPORATE OFFICE

Essar House, 11, K. K. Marg, Mahalaxmi,
Mumbai 400 034, Maharashtra, India.
Tel: +91 22 6660 1100 / 4001 1100
Fax: +91 22 2354 4330
e-mail: epl.secretarial@essarport.co.in



Chairman Message

“As I reflect on the past year, and picture what comes next, I see us in the midst of an exciting transformation journey, on the cusp of a new, efficient & technology driven future where logistics is bound to play a pivotal role and infrastructure is the backbone.”

Resilience has withered the storm and we are all set for the next wave of growth

There is no denying the overwhelming challenges which we have faced over the past two years — as individuals and communities, as a company and workplace, and as a global society at large. With continuous hard work of our teams and their focused efforts despite the challenges, we proved to be resilient.

The business environment is facing a myriad of challenges. Despite the strong economic recovery in 2021, the financial difficulties are not over and may still cause economic slowdown. In addition, many countries are faced with an increasing debt burden, high inflation, disruptions in global supply chains, burning issue of the moment Russia – Ukraine war and its impact, geopolitical tensions, which all play a major role. However, at the same time the resilience of people, reduction in COVID virus cases and release of pent up demand presents the opportunities many a more.

The Gati Shakti master plan of Government of India will enable holistic development of Infrastructure in India and will ensure logistics and manufacturing excellence as India charts its way to USD 5 trillion economy. The focus will be on reducing logistics cost & enhancing efficiency, thereby improving India's competitiveness in the world economy and positioning India as global manufacturing & services hub. In the coming era of supply chain disruptions and infusion of new technologies, infrastructure and service levels must keep pace to deliver the desired results and we are poised to deliver the same.

Indian Ports Sector and Policy Impetus by Government for a sustainable growth

Ports infrastructure investments particularly have a significant influence on a nation's GDP and competitiveness. Indian Government has been playing significant role in boosting the maritime sector and has taken several measures to promote

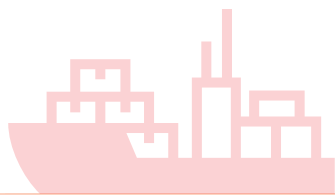
efficiency of ports through various policy initiatives. Few of the notable ones being:

1. Launch of **Maritime India Vision 2030** to accelerate growth of Indian Maritime Sector over next decade
2. Launch of **National Infrastructure Pipeline** to boost an “Atmanirbhar” Bharat
3. Enacting **Major Ports Act 2021** to enable flexibility, self-governance and swiftness in decision making.
4. Passing **Tariff Guidelines 2021** in Dec' 2021 which enables tariff flexibility for new projects to be bid
5. Launching **Model Concession Agreement 2021** for new Port projects in Major Ports
6. Undertaking **PPP Projects on existing assets** which will unlock value and boost efficiency

During 2021-2022, the Indian Major Ports handled 720.35 MMT of traffic, compared to 672.68 MMT in the corresponding period of 2020-21, registering a growth of 7.09%.

Company Performance

Salaya Bulk Terminal Limited (SBTL) is the holding company of Essar Bulk Terminal (Salaya) Limited (EBTSL). EBTSL operates a 20 Million Tonne Port facility in Salaya Gujarat. SBTL has recorded revenue of INR 133.5 Cr. in FY 22 for cargo handling of ~2.0 MMT. The facility has had a low capacity utilization due to lower off take from key customers. Further there are ongoing discussions with Essar Bulk Terminal (Salaya) Limited's lenders on restructuring of its term loan facilities due to resultant delays in debt servicing. The Management is focused on improving capacity utilization, driving operational efficiencies and optimizing of operations to drive growth in cargo volumes and revenues.



Mixed Outlook with Opportunities

Over the next few decades as Energy Transition gains pace and the renewable energy share in the overall energy mix rises the focus for coal will switch to industry. However, as India makes Energy Transition the coal imports is expected to continue at the existing Industries and Power Plants securing cargo flow from existing customers at Salaya. Salaya Terminal will act as a gateway for the Saurashtra Region as being the only all-weather deep draft dry bulk port terminal in the region. The Terminal is located in Refinery and Petro Chemical hub of India and enjoys integration with Power Plants which are expected to provide the based demand. It also has proximity to Soda Ash plants, Ceramic Manufacturing Hub of India, Other Manufacturing Industries and Gas pipeline which will provide significant upside for cargo and customer diversification. The outlook and opportunity for the Terminal is bright and with your support it can become one of the important gateways of nation.

Committed to Health, Safety & Environment

Essar Ports is focused on developing and operating assets that are environmentally friendly and offer world class infrastructure. The Company has an exemplary track record in health, safety and environment. The fact that it has achieved zero Loss Time Injury (LTI) during the year shows the benchmarked safety protocols in its operations.

Delivering Logistics Efficiency through Operational Excellence

Despite the pandemic, our facilities have remained operational with stringiest measures for safety, security and compliance, which has ensured that our customer supply chains are always up and running. This, in turn, has been helpful in boosting the trade and economy. As we grow, we continue to aspire to deliver state-of-the-art solutions through digital transformation and technology that can further enhance sustainable advantage to our customers.

Value Creation in our DNA

In today's globally interconnected world, a company must create value for and be valued by its full range of stakeholders in order to deliver long-term value for its shareholders. I would like to express my sincere gratitude to the Board of Directors for their support and guidance, and to all stakeholders for their unwavering support during the year. We are well-positioned to continue to deliver value propositions through our state of the art services and end to end logistics solutions which will also ensure the growing needs of the economy are met. Let's begin our transformation journey.

Stay safe | Be Committed | Remain Focused

Rajiv Agarwal
Chairman

SALAYA BULK TERMINALS LIMITED – DELIVERING LOGISTICS EXCELLENCE

Salaya Bulk Terminals Limited (“the Company”) having (CIN: U61100GJ2014PLC078242) was incorporated on January 10, 2014 under the provisions of the Companies Act 1956. The registered office of the Company is located at Salaya Administrative Building, 44 KM, P. O. box 7, Taluka Khambaliya, District Dev Bhoomi Dwarka, Jamnagar, Gujarat 361305. Principal place of business of the Company is located at Salaya, Gujarat. The Company specializes in development and operations of ports and terminals for handling bulk and general cargo. The Company through its subsidiary Essar Bulk Terminal (Salaya) Ltd. (EBTSL) has developed a dry bulk port facility at Salaya in Gujarat with a capacity of 20 Million Metric Tonnes per annum.

The Company positively impacts the lives of all stakeholders including employees and the communities living close to its facilities. Community initiatives aim to enhance livelihoods through programs focused on entrepreneurship, education, empowering women, infrastructure, environment and health. It sees involving community leaders as key to success. Essar has transformed the neighboring areas of its operations by planting thousands of trees, laying water pipelines and improving ground water retention. Essar generates direct and indirect employment for thousands of people in the region it operates. The Company adheres to stringent Health, Safety & Environment standards wherever it operates.

SALAYA TERMINAL (20 MMTPA – OPERATIONAL):

The Company through its subsidiary Essar Bulk Terminal (Salaya) Ltd. (EBTSL) has developed a dry bulk port facility at Salaya in Gujarat with a capacity of 20 Million Metric Tonnes per annum. The facility is a world-class marine infrastructure project with a state-of-the-art material handling facility. In addition to the cargo handling services the facility also provides marine services such as tugs and pilotage.

Commissioned in FY 2017 – 2018, the facility’s proximity to the Jamnagar petrochemical cluster assures its access to potential customers such as manufacturing units and refineries, thermal power plants, soda ash plants, coal traders and bauxite exporters in the region. Sufficient land is available for the expansion and customization of storage areas for different commodities and as per customer needs.

The facility is capable of handling capsized ships and is integrated to feed the coal supply to two Power plants in the region facilitating in generation of 1710 MW. It is capable of handling commodities like coal, coke, bauxite, limestone, fertilizer etc. and has flexibility to both import & export cargo. The stock yard integrated with Salaya Port Terminal is 50 Km away (towards Okha Highway) from Jamnagar and well connected with Jamnagar – Okha State Highway.

The facility has 385 meters long jetty and is equipped with Screw Unloaders, Ship Loader, closed conveyor systems ~12.8 km, Stacker cum Reclaimers and sufficient Stockyard Capacity with eco-friendly Dust Suppression and Extraction Systems which enable efficient handling of cargo. Sufficient Land available for expansion and customizing storage area for different commodities/customers.



SALAYA: GATEWAY FOR INDUSTRY & TRADE IN SAURASHTRA REGION

SALAYA: Only deep draft facility of Saurashtra (Gujarat) for handling of dry bulk commodities.

<p>★</p> <p>20 MMTPA Capacity</p>	<p>★</p> <p>Up to 14.5 m operational draft at the terminal capable of handling post panamax / capsize vessels</p>	<p>★</p> <p>Revenue recorded for cargo handling of ~2 MMT in FY22</p>	<p>★</p> <p>Integrated with more 1700 MW of Power Plant capacity in the region</p>
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DESCRIPTION

A world-class marine infrastructure with environment friendly state-of-the-art material handling facilities for dry bulk cargoes at Salaya, Gujarat, India ensuring efficient Ship Turnaround and economies of scale to the customers. Salaya is the only all-weather direct berthing port in southern part of Gulf of Kutch for Post Panamax/ Cape Size Vessel. Jetty is capable of handling 20 MMTPA of dry bulk cargo.

The jetty is located in the Salaya Harbour, which is naturally protected by two islands – Kalubhar Tapu and Dhani Bet. Proximity to Jamnagar Petrochemical Cluster gives the terminal access to the potential customers in the region- Manufacturing Units & Refineries, Thermal Power Plants, Soda Ash Plants, Coal Traders and Bauxite exporters. Salaya port facility is capable of mechanized handling of both export and import cargo through same conveyor system.

The facility was commissioned on 07th December 2017.



SERVICES

Dry Bulk Cargo Handling

Facility is equipped with the best in class mechanized handling system for handling various dry bulk cargo like coal, pet coke, limestone, clinker, bauxite etc. It has high speed ship unloaders and ship loaders, mechanized handling at berth & conveyor for transport to mechanized storage yards.

Marine Services

EBTSL extends all kind of marine & vessel related services on demand to the vessel.

FACILITIES

- **Marine Infrastructure**

385 meters berth that can accommodate cape vessels
 14.5 meters draft alongside berth
 Naturally sheltered harbour
 3 Nos. dedicated tugs for vessel movements.
 1 Floating crane & 4 barges & tugs for lighterage operations at anchorage
 VTMS: The terminal also operates on VHF channels 16 and 69.

- **Cargo Handling Facilities**

Mechanized cargo handling at berth
 For Imports - 2 X 2500 TPH ship unloaders
 For Export - 1 X 1500 TPH ship loader
 15 km fully mechanized conveyor system
 3 X Stackers cum Reclaimer (2500/1800 TPH each)
 1 X Stackers cum Reclaimers (4500/1800 TPH each)
 6 Weighbridges of 60 MT each.
 Fleet of Equipment for cargo compaction, intercarting, stacking and loading.

- **Storage Facilities**

Separate yards for imports & export cargo
 Storage space for 15 Lakhs+ MT cargo
 Space for further yard development available as per requirement
 Water sprinklers & Fire Fighting systems

- **Other Facilities**

24 X 7 security & CCTV access on request
 Desk space to customer representative on request
 Coal screening facilities available



CERTIFICATIONS



CONNECTIVITY



ROAD:

Dedicated corridor is available for cargo movement connecting port to the state highway which is 4 Km away from port.

EBTSL is 50 KM from Jamnagar & 140 KM from Rajkot.

CONVEYOR:

Dedicated integrated conveyor for cargo movement to the nearby power plants.



AIR:

45 KM from Jamnagar airport & 140 KM from Rajkot airport.



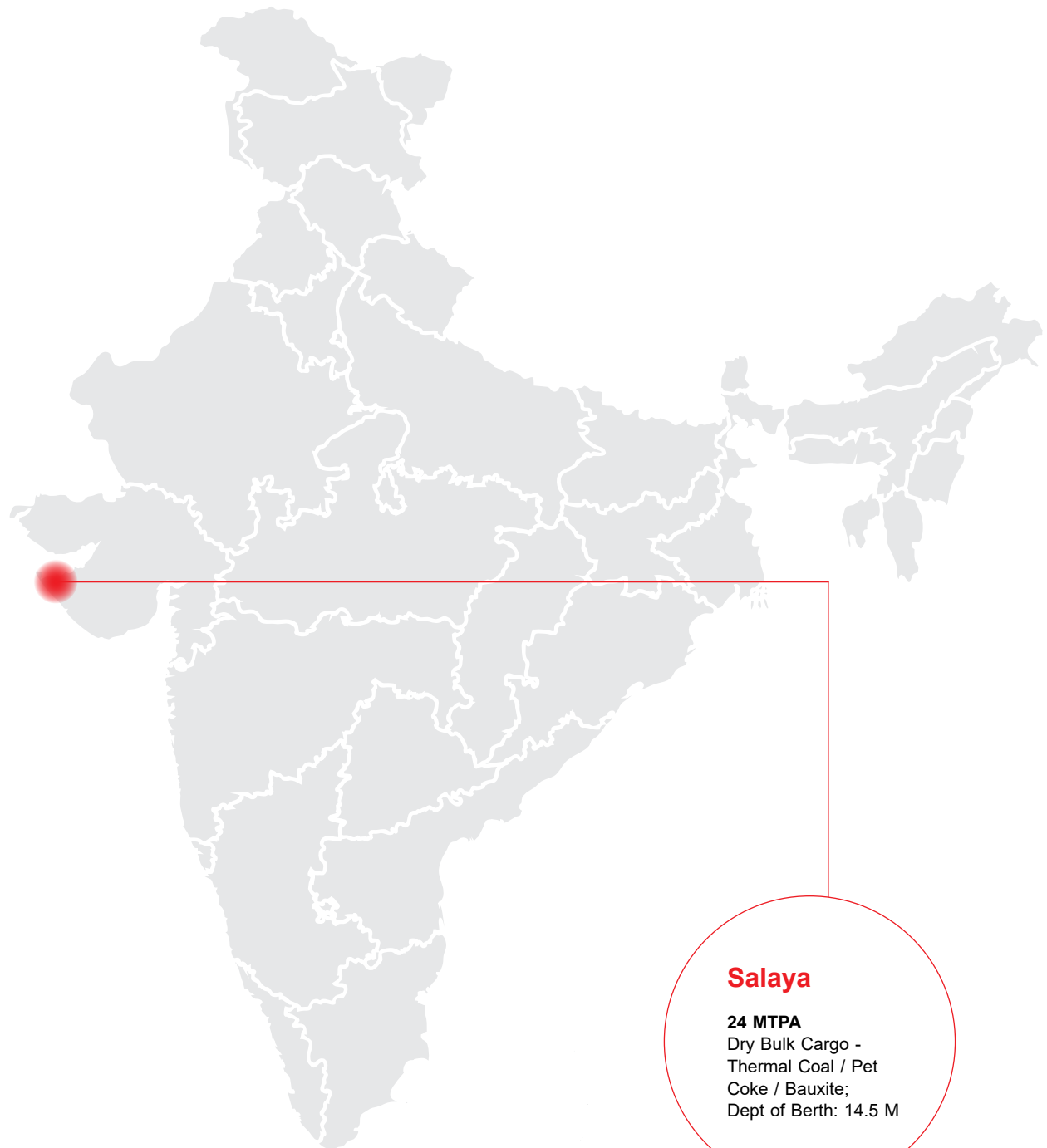
RAIL:

Salaya is located approximately 14km from the Jamnagar-Okha line. Rail connectivity to the port is in progress and alignment has been finalised.

Public railway siding at Moti Khavdi (24 Km) is available for rake loading.

MILESTONES IN 2022

- Cumulative cargo handling crosses 13.5 MMT of Cargo since commissioning
- Cumulative ships handled crosses more than 140 since commissioning



NOTICE TO MEMBERS

Notice is hereby given that the Eighth Annual General Meeting of **Salaya Bulk Terminals Limited** will be held on Thursday, September 29, 2022 at 03.30 p.m. IST through Video Conferencing/Other Audio Visual Means ("**OAVM**") ("**AGM**" / "**the Meeting**") organized by the Company to transact the following business as set out in the Notice convening the Meeting ("**the Notice**"):

The venue of the meeting shall be deemed to be the Registered Office of the Company at Salaya Administrative Building, 44 KM, P.O. Box 7, Salaya, Taluka Khambhalia, District Devbhumi Dwarka, Jamnagar Gujarat 361 305.

ORDINARY BUSINESS

1. To receive, consider and adopt:

- a. The Audited Standalone Profit and Loss Account for the year ended March 31, 2022 and the Audited Balance Sheet and Cash Flow Statement as on that date together with the schedules and notes thereto and the Reports of the Board of Directors and Auditors thereon (Financial Statements).
 - b. The Audited Consolidated Profit and Loss Account for the year ended March 31, 2022 and the Audited Balance Sheet and Cash Flow Statement as on that date together with the schedules and notes thereto and the Report of the Auditors thereon (Consolidated Financial Statements).
2. To appoint a Director in the place of Shri. Amit Bapna (DIN 00008443) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

SPECIAL RESOLUTION

3. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution

"RESOLVED THAT pursuant to Section 149 and other applicable provisions if any, of Companies Act, 2013 ('Act') and the rules made thereunder Capt. B.S. Kumar (DIN 00284649), Independent Director of the Company, who was appointed as an Independent Director of the Company, whose period of office is liable to expire on December 20, 2022 and who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby reappointed as an Independent Director of the Company to hold office for a term of three (3) consecutive years commencing from December 21, 2022 and the term shall not be subject to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution

"RESOLVED THAT pursuant to Section 149 and other applicable provisions if any, of Companies Act, 2013 ('Act') and the rules

made thereunder Dr. Jose Paul (DIN 01256347), Independent Director of the Company, who was appointed as an Independent Director of the Company, whose period of office is liable to expire on December 20, 2022 and who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby reappointed as an Independent Director of the Company to hold office for a term of three (3) consecutive years commencing from December 21, 2022 and the term shall not be subject to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution

To Approve the Alteration of Articles of Association

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with rules framed thereunder (including any statutory modifications, amendments thereto or reenactment thereof, the circulars, notifications, regulations, rules, guidelines, if any, issued thereunder) and subject to obtaining the prior written consent of the CCCPPS Holder (*as defined in the articles of association of the Company*), the consent of the Members of the Company, be and is hereby accorded to the alteration of the Articles of Association (AoA) in the following manner:

- i. By replacing **clause (k) of Definitions** as detailed in **Part B** of the **AoA**:

"Facility Agreements" means the facility agreement(s), **promissory note(s), debt repayment agreement, and/or such other arrangement** entered into / to be entered into by inter-alia the CCCPPS Holder (including the equitable and/or beneficial holder of the CCCPPS and/or any Person having beneficial interest in the CCCPPS (including, if the CCCPPS Holder is a trust, the beneficiary/ies of such trust)) (and/ or its Affiliate) and the Promoter (and/ or its Affiliate and/or any other company which is under the common control of the ultimate parent of the Company and/or the Promoter) pursuant to which the CCCPPS Holder (including the equitable and/or beneficial holder of the CCCPPS and/ or any Person having beneficial interest in the CCCPPS) (and/ or its Affiliate) extends / will extend / **has extended / has recorded** certain **debt** facilities to the Promoter (and/ or its Affiliates and/or any other company which is under the common control of the ultimate parent of the Company and/ or the Promoter) (**any of the aforesaid, the "Borrower"**), **including any document pursuant whereto any indebtedness of the Borrower is transferred, novated, terminated and/or assumed to and/or by any Affiliate of the Borrower.**

- ii. By replacing **clause (s)** of Definitions as detailed in **Part B** of the **AoA**:

“Shareholders Agreement” means the shareholders agreement to be executed inter alia by and between the Company, the Promoter **(and/ or any Affiliate thereof)**, and VTB Bank (Public Joint Stock Company) **(and/or any nominee or transferee thereof)**, as may be amended, novated, assigned and/or restated from time to time.

“**RESOLVED FURTHER THAT** the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to execute and file and/ or submit necessary forms and other documents as may be required by the statutory authorities, including with the jurisdictional Registrar of Companies, and to do all such acts and deeds as may be necessary, proper or expedient for the implementation of these resolutions.”

“**RESOLVED FURTHER THAT** the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to certify a copy of this resolution and issue the same to all concerned parties.”

Mumbai
August 30, 2022

By Order of the Board

Bhawani Shankar Thanvi
Company Secretary
M. No. A50535

Registered Office:
Salaya Administrative Building,
44 KM, P.O.Box 7, Salaya
Taluka Khambhalia,

District Devbhumi Dwarka, Jamnagar
Gujarat 361 305

Notes:

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (hereinafter referred to as the "Act"), in respect of businesses to be transacted at the Annual General Meeting (hereinafter referred to as "AGM") and the relevant details of the Directors as mentioned under Item No. 3 - 5 above as required by under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.
2. The Board of Directors have considered and decided to include the Item nos. 3 -5 given above as Special Business in the forthcoming AGM.
3. In view of the continuing lockdown restrictions on the movement of people at several places in the country, due to outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 2/2022 dated May 05, 2022, Circular No. 2/2021 dated January 13, 2021 and in accordance with the requirement provided in paragraph 3 and 4 of the General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) on or before December 31, 2022.
4. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
5. Corporate members intending to send their authorised representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. authorising its representatives to attend the AGM, by e-mail to essar.ports@dsrc-cid.in and epl.secretarial@essarport.co.in.
6. The Company has fixed September 22, 2022 as the Record Date for the purpose of identifying the eligible members of the Company for the purpose of AGM.
7. Members desiring any information and/or document regarding the Annual Report are requested to write to the Company at "Essar House", 11, K. K. Marg, Mahalaxmi, Mumbai - 400034 at least 7 days before the date of the meeting to enable the Company to keep the information ready.

Process for dispatch of Annual Report and registration of email id for obtaining copy of Annual Report

8. In compliance with the aforementioned MCA Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.essarports.com and on the website of National

Securities Depository Limited (NSDL) <https://www.evoting.nsdl.com>. Physical copy of the notice of AGM and Annual Report will not be sent this year.

9. Shareholders holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by sending a duly signed request letter to the Registrar and Transfer Agents of the Company, Data Software Research Company Private Limited (DSRC) at their email essar.ports@dsrc-cid.in by providing Folio No. and Name of shareholder. Shareholders holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants.
10. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company through an email on epl.secretarial@essarport.co.in.
11. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means through the e-voting platform of National Securities Depository (India) Limited (NSDL). The Members, whose names appear in the Register of Members / list of Beneficial Owners as on September 22, 2022 i.e. the Record Date fixed by the Company for the purpose of AGM are entitled to vote on the Resolutions set forth in this Notice. The members may cast their votes on electronic voting system from place other than the venue of the meeting. The e-voting period will commence at 9.00 a.m. on September 24, 2022 and will end at 5.00 p.m. on September 28, 2022. The members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Company has appointed Mr. Martinho Ferrao, failing him Mr. Shivkumar Vaishy from M/s. Ferrao MSR & Associates, Practicing Company Secretaries, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

GENERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE ANNUAL GENERAL MEETING THROUGH VC/OAVM FACILITY AND VOTING THROUGH ELECTRONIC MEANS INCLUDING REMOTE E-VOTING

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to General Circular No. 2/2022 dated May 05, 2022, Circular No. 2/2021 dated January 13, 2021, Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 ("MCA Circulars"), physical attendance of the Members to the EGM/AGM venue is not required and Annual General Meeting (AGM) be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). The Board of Directors of the Company has decided to adopt the above guidelines issued by Ministry of Corporate Affairs in conducting Annual General Meeting of the Company. Hence, Members can attend and participate in the ensuing Annual General Meeting through VC/ OAVM, which may not require physical presence of members at a common venue. The deemed venue for the meeting shall be the registered

office of the company, Conference Room Salaya Administrative Building, 44 KM, P.O. Box 7, Salaya, Taluka Khambhalia, District Devbhumi Dwarka, Jamnagar Gujarat 361 305.

2. In view of the VC facility being provided to the members of the Company, the facility to appoint proxy to attend and cast vote for the members as provided in Article 55 of Articles of Association is not available for this Annual General Meeting. However, the Body Corporates are entitled to appoint authorised representatives to attend the Annual General Meeting through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the Annual General Meeting in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the Annual General Meeting through VC/OAVM will be made available for at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the Annual General Meeting without restriction on account of first come first served basis.
4. The attendance of the Members attending the Annual General Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Article 98 of Articles of Association.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014, (as amended), and the MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the Annual General Meeting. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on September 29, 2022 the date of the Annual General meeting will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the Annual General Meeting has been uploaded on the website of the Company at www.essarports.com. The Annual General Meeting Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. Annual General Meeting has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.
8. In case of joint holders, the Member whose name appears first as per the Register of Members of the Company will be entitled to vote at the Annual General Meeting provided the votes are not already cast through remote e-voting.

9. Members who opt to be present through VC and who do not cast their vote through remote e-voting will be allowed to vote through e-voting after conclusion of Annual General Meeting.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period commence on September 24, 2022 at 09:00 A.M. IST and end on September 28, 2022 at 5:00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote is cast by the Member, the Member shall not be allowed to change it subsequently.

During the above period, Members of the Company, holding shares either in physical form or in dematerialized form as on the cutoff date as provided in the Notice may cast their vote by remote e-voting.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	<ol style="list-style-type: none"> 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.

- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mferraocs@gmail.com with a copy marked to evoting@nsdl.co.in.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com.

evoting.nsd.com or call on toll free no.: 1800-222-990 or send a request to **Mr. Amit Vishal, Senior Manager or Ms. Pallavi Mhatre, Manager NSDL** at evoting@nsdl.co.in ; or amitv@nsdl.co.in ; or pallavid@nsdl.co.in or at telephone Nos. +91-22- 24994360 or + 91-9920264780 or +91-22-24994545 who will also address the grievances connected with the voting by electronic means.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolution set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to essar.ports@dsrc-cid.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to epl.secretarial@essarport.co.in.
3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) as the case may be.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE ANNUAL GENERAL MEETING ARE AS UNDER: -

1. The procedure for e-Voting on the day of the Annual General Meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the Annual General Meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system after conclusion of the Annual General Meeting. The Members are entitled to vote in terms of Article 44 of the Articles of Association.
3. Members who have voted through remote e-voting will be eligible to attend the Annual General Meeting. However, they will not be eligible to vote at the Annual General Meeting.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the Annual General Meeting shall be the same person mentioned for remote e-voting.
5. In case, if Company gets permission to conduct physical Annual General Meeting, voting through tablets will also be made available to members who have not earlier voted through remote e-Voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the Annual General Meeting through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsd.com> under shareholders/ members login by using

the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ ask questions during the meeting may send their request mentioning their name, demat account number/folio number, email id, mobile number at epl.secretarial@essarport.co.in in advance on or before 11.00 a.m. on September 29, 2022.
6. Those shareholders who want to ask the questions will be allowed to send their views/ask questions through a chat facility provided by the NSDL. The same will be replied by the Company suitably.

The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast during the Annual General Meeting, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the Annual General Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.essarports.com and on the website of NSDL <https://www.evoting.nsd.com> immediately. The same shall be displayed at the registered office of the Company.

Mumbai
August 30, 2022

By Order of the Board

Bhawani Shankar Thanvi
Company Secretary
M. No. A50535

Registered Office:
Salaya Administrative Building,
44 KM, P.O.Box 7, Salaya
Taluka Khambhalia,
District Devbhumi Dwarka, Jamnagar
Gujarat 361 305

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

Capt. B.S. Kumar was appointed as an Independent Director of the Company to hold office for a term of five consecutive years commencing from December 21, 2017 and his period of office is liable to expire on December 20, 2022.

Pursuant to the provisions of section 149(10), re-appointment of Capt. B.S. Kumar for a second term of three (3) consecutive years as an Independent Director requires approval of Members by way of Special Resolution.

Capt. B. S. Kumar has vast experience of over 4 decades and has held key positions in the Ports and Shipping Sector. Capt. Kumar had played a key role in the development of the Paradip Port on the East Coast of India and was also associated with Dhamra Port, Hazira Port, Finolex Captive Jetty – Ratnagiri. Capt. Kumar was also a Trustee/Director on the Board of Mumbai Port Trust and Paradip Port Trust besides being associated with Indian National Shipowners Association, Steamship Mutual Bermuda Club - UK, Classification Societies.

Capt. Kumar also holds Directorships in various Indian Public Limited companies.

Capt. Kumar is exempted from taking online proficiency self-assessment test conducted by the institute notified under sub-section (1) of section 150

The Nomination and Remuneration Committee of the Board is of the opinion that the appointment of Capt. B.S. Kumar (DIN 00284649) would be in the best interest of the Company and accordingly the Nomination and Remuneration Committee of the Company has recommended the appointment of Capt. B.S. Kumar as an Independent Director for a further period of three consecutive years commencing from the date of Annual General Meeting. In the opinion of the Board, Capt. B.S. Kumar fulfils the conditions specified in the Companies Act for such an appointment.

The Board is of the opinion that the appointment of Capt. Kumar would be in the best interest of the Company.

The Board accordingly recommends the Special Resolution at item no. 3 of the accompanying notice for your approval.

None of the Directors other than Capt. Kumar is concerned or interested in the resolution of the accompanying Notice.

Item No.4

Dr. Jose Paul was appointed as was appointed as an Independent Director of the Company to hold office for a term of five consecutive years commencing from December 21, 2017 and his period of office is liable to expire on December 20, 2022.

Pursuant to the provisions of section 149(10), re-appointment of Dr. Jose Paul for a second term of three (3) consecutive years as an Independent Director requires approval of Members by way of Special Resolution.

Dr. Jose Paul is graduated in M.A. (Political Science) from University of Mysore and has done his PhD in Port Management from University of Wales, Cardiff, United Kingdom.

Dr. Paul is also a Fellow of the British Institute of Management (FBIM)

and Chartered Institute of Transport, London (FCIT).

Dr. Paul has also published a number of papers on port and shipping in national and international magazines and journals.

Dr. Paul has won many awards and prizes, to mention a few, First Prize and the "Akiyama Award" in the International Essay Competition organised by the International Association of Ports and Harbours, Tokyo, Japan in 1986, Silver Medal and a Scroll at the World Port Conference held in Seoul, South Korea in May 1987 and LIFE TIME ACHIEVEMENT AWARD instituted by EXIM INDIA Shipping Times received at Taj Coromandel, Chennai on 31st July 2010 from Secretary (Shipping), Government of India for significant contribution made in the Maritime sector.

Dr. Paul was the Deputy Chairman, New Mangalore Port Trust from 1989 to 1994, Deputy Chairman & Acting Chairman, Jawaharlal Nehru Port Trust, New Mumbai from 1994 to 1997, Chairman, Mormugao Port Trust, Goa from 1997 to 2001 and Member, Executive Council, Indian Maritime University, Chennai for the period 1st April 2009 – 31st March 2011.

He was the only speaker invited from India by the International Association of Ports and Harbours to speak in the 21st World Port Conference held in May 1999 in Kuala Lumpur, Malaysia and again in the 22nd World Port Conference held in May 2001 in Montreal, Canada.

On the invitation of the UNCTAD, Dr. Paul attended the Expert Group meeting on globalisation of port logistics opportunities and challenges for developing countries held on 12th December 2007.

Dr. Paul was also a part-time Lecturer, Department of Maritime Studies, University of Wales, Cardiff, UK (1985 – 1987) and Visiting Professor to Kellogg School of Management, Evanston, Illinois, US and prepared a profile of a research project on US legislation on advance presentation of vessel cargo manifest (May to July 2003).

Dr. Paul is also a Director on the Board of various Indian public limited companies.

Dr. Paul is exempted from taking online proficiency self-assessment test conducted by the institute notified under sub-section (1) of section 150.

The Nomination and Remuneration Committee of the Board is of the opinion that the appointment of Dr. Jose Paul (DIN 01256347) would be in the best interest of the Company and accordingly the Nomination and Remuneration Committee of the Company has recommended the appointment of Dr. Jose Paul as an Independent Director for a further period of three consecutive years commencing from the date of Annual General Meeting. In the opinion of the Board, Capt. B.S. Kumar fulfils the conditions specified in the Companies Act for such an appointment.

The Board is of the opinion that the appointment of Dr. Jose Paul would be in the best interest of the Company.

The Board accordingly recommends the Special Resolution at item no. 4 of the accompanying notice for your approval.

None of the Directors other than Dr. Jose Paul is concerned or interested in the resolution of the accompanying Notice.

Item No.5

The majority shareholder of the Company, Essar Ports & Terminals Limited, Mauritius (EPTL), has signed a definitive Sale and Purchase Agreement with ArcelorMittal Nippon Steel India Limited (AMNSIL) on August 26, 2022 (SPA) for sale of its investments in the subsidiaries viz. Hazira Cargo Terminals Limited (HCTL) (97.75%) and Ibrox Aviation and Trading Private Limited (IATPL) 100%, subject to the terms and conditions set out in the SPA including receipt to regulatory, corporate and lender approvals. Accordingly, EPTL has requested the Company to include agenda of alteration of articles of association of the Company in the shareholder meeting. Any approval with or without modification shall be subject to the outcome of AGM and approval by CCCPPS Holder as per the AoA of the company.

The members should please note that as per the AoA of the company, any discussion and / or passing of a resolution in relation to alteration of articles of the company, can be undertaken by the shareholders only after obtaining the prior written approval of the CCCPPS Holder. Accordingly, in the event that the prior consent of the CCCPPS Holder for discussions and / or passing of resolutions in relation to item no. 5 herein has not been obtained prior to the AGM, the same will not be tabled for discussions and / or passing of resolutions.

The portion contained in bold and red in the resolution no. 5 are the amendments suggested in the Articles of Association of the Company. A copy of the Memorandum and Articles of Association duly altered

would be available for the inspection on any working day during business hours at the registered office of the Company. The resolution contained in item no 5 of the accompanying notice, accordingly, seek the approval of the members of the company by way of a special resolution for the amendment and alteration of the Article of Association of the Company and Special Resolution, if passed, and the prior written consent of the CCCPPS Holder, if obtained, will have the effect of the amendment and alteration of the articles of the company.

None of the Directors, Key managerial personnel of the Company and their relatives is in any way, concerned or interested in the resolution of the accompanying Notice.

Mumbai
August 30, 2022

By Order of the Board

Bhawani Shankar Thanvi
Company Secretary
M. No. A50535

Registered Office:
Salaya Administrative Building,
44 KM, P.O.Box 7, Salaya
Taluka Khambhalia,
District Devbhumi Dwarka, Jamnagar
Gujarat 361 305

ANNEXURE TO NOTICE:

Details of Directors seeking appointment / re-appointment at the Eighth Annual General Meeting

SHRI. AMIT BAPNA (DIN: 00008443)

Shri. Amit Bapna is an accomplished professional with over 22 years of experience in Corporate Finance and Treasury, Accounting, Taxation, Incubating and developing businesses, Mergers & Acquisitions, Valuations & Structuring and Investor Relations. Prior to Essar, he was President and Chief Operating Officer of Reliance Capital Limited, overseeing capital allocation and overall strategy and business plans for Reliance Capital's key businesses, including Reliance Nippon Life Asset Management Ltd., Reliance General Insurance Co. Ltd., Reliance Life Insurance Co. Ltd. etc. Prior to Reliance Capital Ltd. he has held leadership positions at Reliance Nippon Life Asset Management Ltd. and Reliance Industries Ltd.

CAPT. B. S. KUMAR (DIN: 00284649)

Capt. B. S. Kumar has vast experience of over 4 decades and has held key positions in the Ports and Shipping Sector.

Capt. Kumar had played a key role in the development of the Paradip Port on the East Coast of India and was also associated with Dhamra Port, Hazira Port, Finolex Captive Jetty – Ratnagiri. Capt. Kumar was also a Trustee/Director on the Board of Mumbai Port Trust and Paradip Port Trust besides being associated with Indian National Shipowners Association, Steamship Mutual Bermuda Club - UK, Classification Societies.

Capt. Kumar is also holds Directorships in various Indian Public Limited companies

Dr. Jose Paul (DIN: 01256347)

Dr. Jose Paul is graduated in M.A. (Political Science) from University of Mysore and has done his PhD in Port Management from University of Wales, Cardiff, United Kingdom.

Dr. Paul is also a Fellow of the British Institute of Management (FBIM) and Chartered Institute of Transport, London (FCIT).

Dr. Paul has also published a number of papers on port and shipping in national and international magazines and journals.

Dr. Paul has won many awards and prizes, to mention a few, First Prize and the "Akiyama Award" in the International Essay Competition organised by the International Association of Ports and Harbours, Tokyo, Japan in 1986, Silver Medal and a Scroll at the World Port Conference held in Seoul, South Korea in May 1987 and LIFE TIME ACHIEVEMENT AWARD instituted by EXIM INDIA Shipping Times received at Taj Coromandel, Chennai on 31st July 2010 from Secretary (Shipping), Government of India for significant contribution made in the Maritime sector.

He was the only speaker invited from India by the International Association of Ports and Harbours to speak in the 21st World Port Conference held in May 1999 in Kuala Lumpur, Malaysia and again in the 22nd World Port Conference held in May 2001 in Montreal, Canada.

On the invitation of the UNCTAD, Dr. Paul attended the Expert Group meeting on globalisation of port logistics opportunities and challenges for developing countries held on 12th December 2007.

Dr. Paul was also a part-time Lecturer, Department of Maritime Studies, University of Wales, Cardiff, UK (1985 – 1987) and Visiting Professor to Kellogg School of Management, Evanston, Illinois, US and prepared a profile of a research project on US legislation on advance presentation of vessel cargo manifest (May to July 2003).

Dr. Paul is also a Director on the Board of various Indian public limited companies.

Dr. Paul was the Deputy Chairman, New Mangalore Port Trust from 1989 to 1994, Deputy Chairman & Acting Chairman, Jawaharlal Nehru Port Trust, New Mumbai from 1994 to 1997, Chairman, Mormugao Port Trust, Goa from 1997 to 2001 and Member, Executive Council, Indian Maritime University, Chennai for the period 1st April 2009 – 31st March 2011.

DIRECTORS' REPORT

To the Members of **Salaya Bulk Terminals Limited**

Your Directors have pleasure in presenting the Eighth Annual Report together with the Audited Financial Statements of the Company for the year ended March 31, 2022.

1. FINANCIAL RESULTS

The summary of consolidated and standalone financial results of your Company for the year ended March 31, 2022 are furnished below:

(₹ in lakhs)

Particulars	Consolidated		Standalone	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Total Revenue	16,546.65	18,179.90	3,197.80	582.46
Total Expenses	43,426.60	41,676.15	3,369.28	245.29
EBITDA	3,147.80	5,128.83	137.36	418.65
Profit /(Loss) for the year	(27,647.21)	(23,735.88)	166.57	328.26

2. DIVIDEND

Considering the losses incurred during the year, your directors do not recommend any dividend on Equity Shares.

3. MANAGEMENT DISCUSSION & ANALYSIS

The discussion and analysis hereunder covers Company's & its Subsidiary's financial performance and business outlook for the year 2021 – 2022. This outlook is based on assessment of the current business environment and Government policies. The change in future economic and other developments are likely to cause variation in this outlook.

Economic Outlook:

Compounding the damage from the COVID-19 pandemic, the Russian invasion of Ukraine has magnified the slowdown in the global economy, which is entering in a phase where growth will slow down according to the World Bank's latest Global Economic Prospects report. This raises the risk of stagflation, with potentially harmful consequences for middle- and low-income economies alike. Global growth is expected to go down from 5.7 percent in 2021 to 2.9 percent in 2022. Growth in emerging market and developing economies (EMDEs) this year has been downgraded to 3.4 percent, as negative headwinds from the invasion of Ukraine. Despite the negative shock to global activity in 2022, there is essentially no rebound projected next year: global growth is forecast to edge up only slightly to a still-subdued 3 percent in 2023, as many headwinds—in particular, high commodity prices and continued monetary tightening—are expected to persist.

In India, growth slowed in the first half of 2022 as activity was disrupted both by a surge in COVID-19 cases, accompanied by more-targeted mobility restrictions, and by the war in Ukraine. The recovery is facing headwinds from rising inflation. The unemployment rate has declined to levels seen prior to the pandemic, but the labor force participation rate remains below pre-pandemic levels and workers have shifted to lower-paying and less-secure jobs. India's growth in fiscal year 2021/22, which ended in March 2022, was 8.7 percent, with the release of pent-up demand late last year following the mid-2021 wave of the pandemic offset by weakness in early 2022.

The Indian economy is projected to edge down to 7.5 percent in fiscal year 2022/23, with headwinds from rising inflation, supply chain disruptions, and geopolitical tensions offsetting buoyancy in the recovery of services consumption from the pandemic. Growth will also be supported by fixed investment undertaken by the private sector and by the government, which has introduced incentives and reforms to improve the business climate. This forecast reflects a 1.2 percentage point downward revision of growth from the January projection. Growth is expected to slow further to 7.1 percent in 2023/24 back towards its longer-run potential.

Industry Outlook:

Ports

Indian Scenario:

During FY 2021-22 Volumes at Major Ports have declined by 7.2% from around 672 MT in FY 21 to 720 MMT in FY 22 due to COVID crisis. The capacity utilization at the major ports translates to around 46% in FY 22. PPT handled around 116 MMT and grew at 1% for the year and VPT handled around 69 MMT and decline at 1.4 % for the year in terms of cargo handling.

Launch of "Sagarmala" has brought optimism and a new focuses to port-led area development. Under the Sagarmala Program, the government has envisioned a total of 189 projects for modernization of ports involving an investment of Rs 1.42 trillion (US\$ 22 billion) by the year 2035. The real impact of this project will take time to show, the steady progress on the port modernization and improvement in connectivity front are the initial signs. The amendments in the ports concession agreement are expected to make projects more investor friendly and make investment climate in the port sector more attractive.

Performance Overview:

The Company through it's subsidiary Essar Bulk Terminal (Salaya) Limited (EBTSL) has successfully commissioned an all-weather terminal at Salaya Jetty, in Jamnagar,

Gujarat, India in Q4 FY 2017 - 2018. The Salaya Port has a handling capacity of 20 MMT fully mechanized 380 m berth with one ship loader of rated capacity of 1500 TPH and two ship unloaders of rated capacity of 2500 TPH. The berth is connected to stockyard via 12.8 Km long conveyor belt. Salaya Jetty has a draft depth of 14 m in the Saurashtra region. The Company would continue to lead innovative practices, adoption of technology and setting examples in the regions.

Financial Highlights:

The Key Financials performance highlights for the year are as below:

Total Revenue contribution on consolidated basis was Rs. 165.47 Cr

EBITDA for the year was Rs. 31.48 Cr

Net Loss/Profit for the year Rs. (276.47) Cr

4. RISK, OPPORTUNITY AND THREATS:

The outbreak of coronavirus provides a good opportunity for India to follow an export-driven model. The movement of companies away from China to other less-developed countries would trigger a new wave of industrialization. Consequently, the expansion of the manufacturing hub linked with global supply chains would increase demand for port industry.

On the front of cargo commodities like thermal coal, iron ore, fertilizers. Iron ore and finished fertilizers shipments have seen an increasing trend enabled major ports to tide over falling volumes in coal and other miscellaneous cargo. Long term import of thermal coal might witness a decreasing trend, due to Government focus on enhancing domestic production and availability of thermal coal blocks. Owing to lackluster volume growth in most of the commodities, major ports could manage to log meagre growth in overall cargo throughput.

The Company has a formal risk assessment and management system which periodically identifies risk areas, evaluates their consequences, and initiates risk mitigation strategies and implement corrective actions where ever required. The Company has been making steady progress in addressing specific risks and threats through cargo diversification, strategic capacities at ports, long-term customer contracts, and enhancement in operational efficiencies, cost optimization and provision of integrated logistics services.

At Domestic level, new business opportunities are also being generated especially in natural gas sector and handling of container traffic. With increased vessel sizes, shipping liners prefer ports with deep draft, longer quays, high mechanization and ports infrastructure. The Company is keenly following these market trends and many of the Company projects are getting ready to capture value from such opportunities at right time.

Internal Control systems and their adequacy:

The Company has put in place strong internal control systems and process to commensurate with its size and scale of operations. Some of the key features of the Company's internal control systems are:

- ✓ Adequate documentation of Financials, Company Policies and Guidelines.
- ✓ Preparation of Annual Budget plan through monthly review for all operating entities at Management level.

- ✓ The Company has a management system which runs on a one-on-one monitoring activities with all entities whenever required.
- ✓ The Company has a well-defined allocation of power with authority limits for approving revenue and Capex expenditure which is reviewed and suitably amended on an annual & monthly basis by the Senior Management.

5. HOLDING/SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES

As on March 31, 2022, Essar Ports & Terminals Limited is Holding Company of your Company and Essar Bulk Terminal (Salaya) Limited continues to be the subsidiary of your Company. A statement containing the salient features of the financial statements of the subsidiary companies, in Form AOC-1, has been enclosed as an annexure to this report.

The Company had no associates and joint ventures during the financial year.

6. RELATED PARTY TRANSACTIONS

All Related Party Transactions entered during the year were in ordinary course of the business and on an arm's length basis. Details of material related party transaction entered during the financial year 2021-22 are provided in the prescribed form AOC-2 as an annexure to this report.

7. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statements relate and the date of this Report.

8. DEPOSITS

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, during the financial year.

9. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED / RESIGNED DURING THE YEAR

Composition of Board of Directors as on March 31, 2022 :

Sl. No.	DIN	Name of the Directors	Designation
1	00903635	Shri. Rajiv Agarwal	Non-Executive Director
2	01256347	Dr. Jose Paul	Independent Director
3	00284649	Capt. B. S. Kumar	Independent Director
4	00202779	Shri Nikhil Naik	Nominee Director
5	06771031	Shri Bhaven Bhatt	Non-Executive Director
6	00009113	Shri Kamla Kant Sinha	Non-Executive Director
7	00008443	Shri Amit Bapna	Non-Executive Director
8	08898402	Smt. Alice George	Non-Executive Director

The following Directors and Key Managerial Personnel were appointed/ got resigned/Change in designation during the financial year:

Sl. No.	Name of the Directors	DIN	Designation	Date of Appointment/ Resignation/ Change in designation	Remarks
1	Shri Ashwin Menon	-	Chief Financial Officer	July 31, 2021	Resignation
2	Shri Ankush Goyal	-	Chief Financial Officer	August 01, 2021	Appointment
3	Smt. Alice George	08898402	Non-executive Director	September 27, 2021	Change in designation
4	Shri Kamla Kant Sinha	00009113	Non-executive Director	September 27, 2021	Change in designation
5	Shri Amit Bapna	00008443	Non-executive Director	September 27, 2021	Change in designation
6	Shri Bhaven Bhatt	06771031	Non-executive Director	March 03, 2022	Change in designation

Your Board places on record its appreciation for the valuable contributions made by the Directors/ KMPs in the growth and progress of the Company during their tenure.

As on March 31, 2022, following are the Key Managerial Personnel of your Company:

- Shri. Sant Khare –Chief Executive Officer
- Shri. Ankush Goyal - Chief Financial Officer
- Shri. Bhawani Shankar Thanvi – Company Secretary

The following Directors and Key Managerial Personnel were appointed/ got resigned after closure of the financial year:

Sl. No.	Name of the Directors	DIN	Designation	Date of Appointment/ Resignation	Remarks
1	Smt. Alice George	08898402	Non-executive Director	July 12, 2022	Resignation

Approval of the members is being sought at the ensuing Annual General Meeting of the Company for –

- Re-appointment of Shri. Amit Bapna (DIN: 00008443), who retires at the ensuing Annual General Meeting of the Company, being eligible offers himself for reappointment;
- Re-appointment of Dr. Jose Paul (DIN: 01256347) Independent Director of the Company for (3) consecutive years commencing from December 21, 2022 and his appointment has been recommended by the Nomination and Remuneration Committee;
- Re-appointment of Capt. B.S. Kumar (DIN: 00284649) as an Independent Director of the Company for (3) consecutive years commencing from December 21, 2022 and his appointment has been recommended by the Nomination and Remuneration Committee;

10. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND ATTENDANCE OF THE DIRECTORS

The Board of Directors of the Company had met 5 times during the financial year on the below mentioned dates:

- July 30, 2021;
- November 25, 2021;
- January 17, 2022;
- March 03, 2022; and
- March 29, 2022.

Name of the Director	Category of Director	Number of Board Meetings of the Company held and Attendance of the Directors during the year	
		Held during the year	Attendance of the Directors
Shri. Rajiv Agarwal	Non-Executive Director	5	5
Dr. Jose Paul	Independent Director	5	5
Capt. B.S. Kumar	Independent Director	5	5
Shri Nikhil Naik	Nominee Director	5	5
Shri Bhaven Bhatt	Non-Executive Director	5	4
Shri Amit Bapna	Non-Executive Director	5	5
Smt. Alice George	Non-Executive Director	5	5
Shri Kamla Kant Sinha	Non-Executive Director	5	5

The meetings of the Board have been held at regular intervals with a time gap of not more than 120 days between two consecutive meetings.

11. DECLARATION OF INDEPENDENCE

The Company has received Declarations of Independence as stipulated under Section 149(6) of the Companies Act, 2013 from Independent Directors.

12. COMPOSITION OF THE AUDIT COMMITTEE

As on March 31, 2022 and as on the date of this report, the Audit Committee comprises of 3 (three) Non-Executive Directors, out of which two of them are Independent. Capt. B. S. Kumar (Independent Director) acts as the Chairman of the Committee and Shri Nikhil Naik (Non-executive Nominee Director) and Dr. Jose Paul (Independent Director) are the other members of the Committee.

All the recommendations of the Audit Committee have been accepted by the Board.

13. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

As on March 31, 2022 and as on the date of this report, the CSR Committee comprises of Shri. Rajiv Agarwal (Non-executive Director) as the Chairman of the Committee and Dr. Jose Paul (Independent Director), Capt. B. S. Kumar (Independent Director), and Shri Nikhil Naik (Non-executive Nominee Director) are the other members of the Committee.

The composition and terms of reference of the CSR Committee had been fixed by the Board of Directors of your Company. The Company statutorily is not required to incur CSR spend, as the Company has negative profits. However, the Company has initiated CSR activities through its subsidiary company. The CSR policy along with the Annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as Annexure to this Report.

14. NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2022 and as on the date of this report, the NRC Committee comprises of Shri. Rajiv Agarwal (Non-executive Director) as the Chairman of the Committee and Dr. Jose Paul (Independent Director), Capt. B. S. Kumar

(Independent Director) and Shri Nikhil Naik (Non-executive Nominee Director) are the other members of the Committee.

The Committee has formulated a policy on the Directors' appointment and remuneration including recommendation of remuneration of the Key Managerial Personnel and other employees. The said policy has been enclosed as an Annexure to this Report.

15. STAKEHOLDERS RELATIONSHIP COMMITTEE

As on March 31, 2022 and as on the date of this Report, the Stakeholders Relationship Committee of the Board comprised of 4 Directors. Shri. Rajiv Agarwal (Non-executive Director) acts as the Chairman of the Committee and Shri Nikhil Naik (Nominee Director), Dr. Jose Paul (Independent Director) and Capt. B. S. Kumar (Independent Director) are the other members of the Committee.

16. 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 appended as an Annexure to this Report.

17. INTERNAL CONTROL FRAMEWORK

Your Company has appropriate internal control systems for business processes with regard to its operations, financial reporting and compliance with applicable laws and regulations. It has documented policies and procedures covering financial and operating functions and processes. These policies and procedures are updated from time to time and compliance is monitored by the internal audit function as per the audit plan. The Company continues its efforts to align all its processes and controls with best practices.

18. CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Section 129(3) of the Companies Act, 2013 and prepared in accordance with the applicable Accounting Standards.

19. AUDITORS

Your Company's Auditors, Messrs. MSKA & Associates, Chartered Accountants (ICAI Form Registration Number: 105047W), were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 7th Annual General Meeting (AGM) till the conclusion of the 12th AGM of the Company to be held in the year 2026.

There are audit qualifications/adverse remarks in the Auditors Report to the shareholders on the Accounts of the Company for the year ended March 31, 2022:

Basis for Qualified Opinion:

The management has assessed that the investment in subsidiary of the Company having carrying amount of Rs. 58,908.50 lakhs as at March 31, 2022 has not suffered any impairment loss, basis the future projections of revenue and cashflows of the subsidiary of the Company which are highly dependent on successfully settlement of its existing

debt obligations, restarting of the operations of one of its anchor customer and withdrawal of various legal action by the lenders. Inclusion of the cashflow associated with these events in estimate of the future cashflow constitutes material departure from the provisions of Indian Accounting Standard (Ind AS) 36: Impairment of Assets. Any impact of this on the financial statements is presently unascertainable (Refer note 6 of the financial statements).

This matter was also qualified in our report on the standalone financial statements for the year ended March 31, 2021.

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 ("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 thereunder, 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 qualified opinion.

Management response:

The management has assessed the recoverable amount of the Investment with the cash flow projections of subsidiary of the Company which include assumptions relating to future revenue from existing long term contract with related party (i.e. revenue from Essar Power Gujarat Limited (EPGL)), revenue from third parties, availability of necessary regulatory approvals, which are considered reasonable by the management. Also the future projections are subject to the subsidiary Company successfully settlement of its existing debt and withdrawal of various legal action by the lenders. Basis the above the computed recoverable amount of the investments is higher than its carrying amount as at March 31, 2022 and accordingly no impairment has been recognized.

20. REPORTING OF FRAUD

There were no instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013 and accordingly no such reporting was done by the Auditors of the Company.

21. INFORMATION TECHNOLOGY

The field of information technology (IT) covers the design, administration and support of computer and telecommunications systems. Some of the positions in this field include database and network administrators, computer support specialists, computer scientists, software programmers and system analysts. The majority of career tracks in IT entail design and operational tasks related to computer hardware components, networks and software applications.

Professionals in the IT field work with businesses and organizations to set up and support viable computer networks that will keep systems efficient and reliable. IT encompasses

all hardware and software used in the storing, creation and accessing of information. Examples of technologies that professionals work with are firewalls, databases, media storage devices, networks and the Internet.

Your Company successfully implemented SAP in its financial and related systems. For dry bulk, systems have been implemented to capture end-to-end workflow covering all activities from pre-arrival intimations to actual departure of vessels. Expected berth occupancy is being plotted, thereby optimising the berth utilisation and increasing berth efficiency. Various dashboard reports have been implemented in the system for berth performance and resource monitoring.

22. VIGIL MECHANISM

Your Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to report their genuine concerns which is perceived to be in violation of or in conflict with the fundamental business principles of the Company.

23. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantees and investments have been disclosed in the notes to the financial statements of the Company for the financial year 2021-2022.

24. STATEMENT OF DIRECTORS RESPONSIBILITIES

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013 and based on the information provided by the management, your Directors state that:

- a) in the preparation of the Financial Statements, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) accounting policies selected were applied consistently and judgments and estimates were made 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 the financial year and of the profit or loss of the Company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts of the Company have been prepared on a going concern basis;
- e) the Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) proper systems are in place to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

25. AMOUNTS, IF ANY, PROPOSED TO BE CARRIED TO ANY RESERVES

Your Company has not transferred any amount to any reserves during the financial year.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of activities that are being carried on by your Company, the particulars required under Section 134 of the Companies Act, 2013 and Rules made thereunder regarding conservation of energy and technology absorption are not applicable to your Company.

There were no foreign exchange earnings and outgo as required to be disclosed under the provisions of Section 134 and Rule 8(3) of Companies (Accounts) Rules, 2014 during the financial year.

27. QUALITY, SAFETY AND ENVIRONMENT

In order to ensure highest standard of safety, your Company has implemented and initiated various measures with respect to Quality, Safety and Environment Management Systems. The initiatives by your Company have been rewarded with several recognitions.

28. CORPORATE GOVERNANCE

Your Company is not listed on any Stock Exchanges and hence not covered under the listing regulations of SEBI. However, as a good practice, your Company follows the Corporate Governance practice in its business activities.

29. DISCLOSURES WITH RESPECT TO THE REMUNERATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013

Since your Company is not a listed company, the statement of Disclosure of Remuneration under section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

30. AFFIRMATION AND DISCLOSURE

Your Company is not listed on any Stock Exchanges and hence not covered under the listing regulations of SEBI. Since the reporting under the Corporate Governance is not mandatory for your Company, the declaration in relation to the compliance with the Code of Conduct is not attached with the Annual Report.

31. MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013

The provisions of Section 148(1) of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company.

32. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

33. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

There is no One Time Settlement and Valuation done during the year under review, therefore this clause is not applicable to your Company.

34. GENERAL DISCLOSURES

Your Directors hereby state and confirm that for the year ended March 31, 2022:

- The Executive Director did not receive any remuneration from the holding and/or subsidiary companies.
- The Company has neither revised the financial statements nor the report of Board of Directors.
- The Company has not issued equity shares with differential rights as to dividend, voting, or otherwise or sweat equity shares.

- No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the going concern status or Company's operations in future.
- There has been no change in the nature of business of the Company during the year.

35. APPRECIATION AND ACKNOWLEDGEMENTS

Your Directors express their sincere thanks and appreciation to all the employees for their commendable teamwork and contribution to the growth of the Company.

Your Directors also thank Gujarat Maritime Board, its bankers and other business associates for their continued support and co-operation during the year.

For and on behalf of the Board

Mumbai
August 30, 2022

Rajiv Agarwal
Director
DIN : 00903635

Amit Bapna
Director
DIN : 00008443

Annexure to the Director's Report

Form No. AOC – 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures

PART "A": SUBSIDIARIES

(₹ in lakhs)

Sr. No.	Name of the Subsidiary	Essar Bulk Terminal (Salaya) Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2022
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign Subsidiaries	N/A
3	Share capital	406.07
4	Reserves & surplus* * includes Equity Component of 0.01% Compulsorily Convertible Cumulative Participating Preference Shares and equity component of 0% compulsorily convertible debentures.	(13199.84))
5	Total assets	1,86,295.98
6	Total Liabilities	1,99,089.75
7	Investments	Nil
8	Turnover	13,350.18
9	Profit / (Loss) before taxation	(27,480.65)
10	Provision for taxation	Nil
11	Profit / (Loss) after taxation	(27,480.65)
12	Proposed Dividend	Nil
13	% of shareholding	79.90
Notes: The following information shall be furnished at the end of the statement:		
1	Names of subsidiaries which are yet to commence operations	Nil
2	Names of subsidiaries which have been liquidated or sold during the year.	Nil

Since the Company had no Associates/ Joint Ventures during the financial year, the reporting under "Part B" of the Form AOC-1 is not applicable to the Company.

For and on behalf of the Board of Directors

Rajiv Agarwal

Director

DIN : 00903635

Amit Bapna

Director

DIN : 00008443

Mumbai, August 30, 2022

PART "B": ASSOCIATES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

(₹ in lakhs)

Sr. No.	Name of Associates
1	NIL

For and on behalf of the Board of Directors

Rajiv Agarwal

Director

DIN : 00903635

Amit Bapna

Director

DIN : 00008443

Mumbai, August 30, 2022

Form No. AOC – 2

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

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

1. Details of contacts or arrangements or transactions not at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements/ transactions	Salient features of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL								

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (` In lakhs)	Date(s) of approval by the Board, if any	Amount paid as advances, if any (` In lakhs)
NIL							

For and on behalf of the Board of Directors

Rajiv Agarwal
Director
DIN : 00903635

Amit Bapna
Director
DIN : 00008443

Mumbai, August 30, 2022

Corporate Social Responsibility Policy

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1.0 About the Company

Salaya Bulk Terminals Ltd. (SBTL or the Company) is part of one of the largest private sector port companies in India offering a range of port and terminal services for liquid, dry bulk, break bulk and general cargo. The Company through its subsidiary Essar Bulk Terminal (Salaya) Limited (EBTSL) has successfully commissioned an all-weather terminal at Salaya Jetty, in Jamnagar, Gujarat, India in Q4 FY 2017 - 2018. The Salaya Port has a handling capacity of 20 MMT fully mechanized 380 m berth with one ship loader of rated capacity of 1500 TPH and two ship unloaders of rated capacity of 2500 TPH. The berth is connected to stockyard via 12.8 Km long conveyor belt. Salaya Jetty has a draft depth of 14 m in the Saurashtra region. The Company would continue to lead innovative practices, adoption of technology and setting examples in the regions.

1.1 About Essar Group Foundation:

Essar Group Foundation is the Corporate Social Responsibility (CSR) arm of the Essar conglomerate that is committed to maintaining the highest standards of CSR in its business activities and aims to make a difference wherever it operates. Essar Foundation collaborates with key stakeholders, especially the local administration and institutions to facilitate development focused on education, livelihoods, women's empowerment and health. It aspires towards creating lasting impacts, ultimately leading to positive change and sustainability. Essar Foundation imbibes the essence of the ten Principles of United Nations Global Compact (UNGC), undertakes interventions in line with the UN Millennium Development Goals and also Companies Act, 2013. It has impacted more than a million lives positively upto now across 500 villages in eight states of India.

1.1.1 Approach:

The The Foundation aligns its vision with the larger vision of the conglomerate based on the four Ps – PEOPLE at the core, PROGRESS towards aspirations, POWER of synergy, and PASSION with compassion.

PEOPLE at the core: All interventions of the Foundation place people it works with and people it works for at its core. So the vision entails holistic development that is human development centric. Environment conservation, capacity building, awareness generation, improving health and education leading to empowerment are keys to this aspect of the vision.

PROGRESS towards aspirations: Progress and growth towards the better is what drives every individual, family or community. Essar Foundation believes in fueling the same by promoting learning, innovation and the entrepreneurial spirit. Progressive economic development and livelihood promotion are main impacts under this.

POWER of synergy: The Foundation strongly bases its efforts on collective strength of responsible partnerships that ensures sustainability of the impact created. Convergence with government delivery mechanism, local administration, civil society organisations and community based institutions are integral to the approach.

PASSION with compassion: The compassion or humaneness in the endeavors is what makes all the difference. Sensitivity to local context and respect towards diversities is crucial and so is the need to make every initiative consultative, participatory and integrated. The vision is to promote shared values and ownership.

2.0 CSR Vision

To empower the communities around our areas of operation towards development that is collaborative, progressive, inclusive and sustainable through optimal realisation of human potential and responsible utilisation of resources.

3.0 CSR Mission

- To undertake strategically sustainable development initiatives that contributes towards progress in human and social development indicators.
- To complement and supplement the ongoing community development efforts of the Government while introducing innovations in the areas where there is a scope and need for the same.
- To encourage partnerships, support and build the capacities of community based institutions, civil society organizations.

4.0 CSR Objectives

- To undertake sustainable initiatives under agreed thematic areas that lead to measurable progress in the targeted human development indicators especially in areas of education, maternal and child health indicators and environment.
- To initiate and fuel the entrepreneurial aptitude among the people and institutions we associate with towards substantial economic development of communities boosting the annual family income of targeted population.
- To ensure care and support to the marginalised and vulnerable sections of the communities especially the elderly, women and children towards leading a life of dignity and self-dependence.
- To undertake responsible business practices and ensure safety of communities around our operational areas following standard safety practices.

5.0 CSR Approach

- To build sustained relationships with all stakeholders by developing mutual understanding and respect.
- To undertake baseline studies and follow a strategic planning process for developing short, medium and long term action plans based on criticality, priority and resource optimisation.
- To implement planned initiatives in a phased manner under agreed larger thematic areas through professional teams, delegated resources and relevant partnerships.
- To set indicators for outputs and success of initiatives; monitor and evaluate the progress and eventual impact of the initiatives towards desired direction of development.
- To document the outcome of initiatives, draw learnings from the experience and set progressive benchmarks for subsequent action plans.
- To set and execute initiatives with clearly drawn exit strategies that ensures sustainability of the initiatives' outcome.

6.0 Scope of CSR Activities

- Communities and villages directly or indirectly impacted by the business operations.
- Communities and villages surrounding the business operations in a particular location.
- Any other areas adopted under any specific MoU or agreement with the Government.

7.0 Focus areas

The Company will undertake CSR initiatives by investing resources in any of the following activities in India, excluding activities undertaken in pursuance of normal course of business of the Company and activities that benefit only the employees of the Company and their families:

- Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water.
- Promoting education; including special education and employment enhancing vocational skills especially among children, woman, elderly and the differently abled people and livelihood enhancement projects.
- Promoting gender equality, empowering women and creating facilities which will enable reducing inequalities faced by socially and economically backward groups.
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining of quality of soil, air and water including contributions to the clean Ganga Fund set up by the Central Government for the rejuvenation of river Ganga.
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up of public libraries; promotion and development of traditional arts and handicrafts.
- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Training to promote rural sports, nationally recognised sports, paralympics sports and olympic sports.
- Contributions or funding technology incubators located within academic institutions which are approved by the Central Government.
- Rural development projects.
- Slum area development..

8.0 Implementation

The CSR initiatives will be implemented either directly by the Company or through implementing partners. The main implementing partner for SBTL will be the "Essar Group Foundation" of which the Company is a Trustee. The other partners with whom the Company may partner directly or through Essar Foundation may include the Government, Knowledge Institutions, Business Associates, NGOs, Community Based Organisations (CBOs) and the communities themselves. The precise roles of stakeholders depend on the local context and changes along with business phases and the stages of community interventions.

The Company may also collaborate with other companies to undertake other CSR projects or programmes provided that the CSR Committee of the respective companies are in a position to report separately on such projects or programmes.

9.0 Budget and expenditure

Before the commencement of each financial year, an Annual Business Plan (CSR ABP) for the CSR projects, programmes and activities, both new and ongoing, (excluding activities undertaken in pursuance of the Company's normal course of business) along with the expenditure for the same shall be recommended by the CSR and Sustainability Committee to the Board for approval. Each year, post adoption of CSR ABP by the Board, the same will be deemed to form integral part of this Policy.

The surplus arising out of the CSR activities will not be considered as a part of business profits of the Company.

10.0 Monitoring and evaluation

The "CSR Committee" constituted by the Board of Directors shall be responsible for monitoring the CSR policy from time to time. The CSR Committee shall approve and recommend to the Board, the projects or programmes or activities to be undertaken, the expenditure to be incurred on the projects / programmes, the modalities for execution and implementation schedule.

The CSR Committee shall periodically monitor implementation of the CSR Policy and the projects, programmes and activities being undertaken as per CSR ABP. The Essar Group Foundation or any other implementing partners assigned with tasks under the CSR ABP shall also submit their reports in such manner and periodicity as may be required by the CSR Committee.

11.0 Reporting

Both qualitative and quantitative report of all CSR activities will be generated and compiled on a periodic basis and presented to "CSR Committee" from time to time. The Company will publish an "Annual CSR Report" and will be shared with external stakeholders. .

For Salaya Bulk Terminals Limited

	SD /-	SD /-
	Rajiv Agarwal	Jose Paul
Mumbai	Committee Chairman	Committee Member
August 30, 2022	DIN : 00903635	DIN : 01256347

Annual Report on CSR Activities

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects and programs.

The vision of Salaya Bulk Terminals Limited CSR Policy is to empower the communities around our areas of Operation towards development that is collaborative, progressive, inclusive and sustainable through optimal realization of human potential and responsible utilization of resources. The objectives of the policy are:

- To undertake sustainable initiatives under agreed thematic areas that lead to measurable progress in the targeted human development indicators especially in areas of education, maternal and child health indicators and environment.
- To initiate and fuel the entrepreneurial aptitude among the people and institutions we associate with substantial economic development of communities boosting the annual family income of targeted population.
- To ensure care and support to the marginalized and vulnerable sections of the communities especially the elderly, women and children towards leading a life of dignity and self-dependence.
- To undertake responsible business practices and ensure safety of communities around our operational areas following standard safety practices.

2. The focus is on undertaking various projects or activities including Health, Promoting Education Programmes, Strengthen capacities of Differently Abled and Livelihoods Generation.

3. Average Net Profit of the Company for last three financial years.

(` in lakhs)

	2020-21	2019-20	2018-19	Average
Net Profit / (Loss) as per P & L (Before Tax)	328.25	(713.96)	(571.09)	(318.93)

4. Prescribed CSR Expenditure (two percent of the amount as per item 3 above)

As the Company does not have positive average profits for the last three financial years and hence the Company is not required to incur any CSR expenditure during the year 2021-22 as per regulations. However, the Company has undertaken CSR activities through its subsidiary company.

5. Details of CSR spent during the financial year:

- (a) Total amount to be spent for the financial year - NIL
- (b) Amount unspent if any - N.A.
- (c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the Project is Covered	Projects or programs (1) Local area or (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on projects or programs Sub-heads: (1) District expenditure on projects or programs (2) Over-heads	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through implementing agency*
NOT APPLICABLE							

6. In case the Company has failed the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.

Not Applicable.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

This is to hereby declare that all the information provided in the document is in sync with the implementation of the CSR policy along with its monitoring, which in turn is in compliance with CSR objectives and policy of the Company.

For Salaya Bulk Terminals Limited

SD /-
Rajiv Agarwal

Committee Chairman
DIN : 00903635

Mumbai
August 30, 2022

SD /-
Jose Paul

Committee Member
DIN : 01256347

Nomination and Remuneration Committee Policy

POLICY FOR BOARD DIVERSITY, APPOINTMENT, REMUNERATION, TRAINING AND EVALUATION OF DIRECTORS AND EMPLOYEES

Contents

Particulars
1. General
2. Board diversity
3. Selection, identification and appointment of Directors
4. Criteria for appointment of Senior Management executives
5. Remuneration
6. Training
7. Performance evaluation and reappointment
8. Mechanism for evaluation of Board, Chairman and Directors

1. General

- 1.1 The Companies Act, 2013 requires the Company to formulate the criteria for determining qualifications, positive attributes and independence of directors. The Company is also required to adopt a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 1.2 In addition, Listing Agreement requires listed companies to develop a policy on Board diversity, remuneration and evaluation criteria.
- 1.3 To meet these objectives, the Policy on Board Diversity, Appointment, Remuneration, Training and Evaluation of Directors has been adopted by the Board of Directors on July 9, 2017.

2. Board Diversity

- 2.1 The Company recognizes that a truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.
- 2.2 The Articles of Association of the Company provide that the Board shall comprise of a minimum of three directors and a maximum of fifteen directors. Within these parameters the Board has to determine the size and composition of the Board.
- 2.3 The Board of Directors of the Company shall have an optimum combination of executive and non-executive directors and not less than fifty percent of the Board of Directors will comprise of non-executive directors.
- 2.4 Where the Chairman of the Board is a non-executive director, at least one-third of the Board should comprise of independent directors and in case the company does not have a regular non-executive Chairman, at least half of the Board should comprise independent directors.

Provided that where the regular non-executive Chairman is a promoter of the company or is related to any promoter or person occupying management positions at the Board level or at one level below the Board, at least one-half of the Board of the company shall consist of independent directors. The term 'related to any promoter' shall have the same meaning as contained in clause 49 of the Indian Listing agreement, as amended from time to time.

Any intermittent vacancy in office of an Independent Director shall be filled up by the Board in the immediate next Board meeting or 3 months from the date of vacancy, whichever is later.

- 2.5 The Board shall have at least one woman director. This provision shall be applicable with effect from April 01, 2015
- 2.6 The Company at all times shall have atleast one director who has stayed in India for a total period of not less than one hundred and eighty two days in the previous calendar year.
- 2.7 The Board shall have one or more Managing Directors. In addition, the Board will have power to appoint from time to time one or more Wholetime Director or Directors upon such terms and conditions and for such term not exceeding five years at a time.
- 2.8 In compliance with the provisions of section 151 of the Companies Act, 2013 the Company may have one director elected by small shareholders on conditions specified in The Companies (Appointment and Qualification of Directors) Rules, 2014.
- 2.9 The Lenders will have right to appoint one or more nominees on the Board in terms of Articles of Association of the Company and the loan agreements entered into between the Company and the lenders. The lenders nominees shall hold office so long as they have right to appoint nominees so long as any monies/liabilities in relation to Facilities remain owing by the Company to these Lenders.
- 2.10 The Nomination & Remuneration Committee of the Board ('the Committee') reviews and assesses Board

composition on behalf of the Board and recommends the appointment of new Directors.

2.10.1 In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

2.10.2 In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

2.11 The Committee will discuss and agree on all measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption. At any given time the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

2.12 The criteria for maintaining diversity of the Board may among others include the following :

2.12.1 Age of individual directors and average age of the Board.

2.12.2 Ports & Terminal Industry representation adequately covering experience of professionals in public and private sector ports.

2.12.3 Experts from various fields including but not limited to finance and taxation, banking, corporate governance, administration, corporate social responsibility, risk management and human resources.

2.12.4 Diversity based on geographical background.

2.12.5 The needs of the Company's business currently and going forward..

2.13 The Committees of the Board will be constituted ensuring that diversity is maintained as per requirements of the Act and the Listing Agreement with stock exchanges.

3. Selection, identification and appointment of Directors

3.1 The Nomination and Remuneration Committee is responsible for evaluating the qualifications of each director candidate and of those directors who are to be nominated for election by shareholders at each Annual General Meeting of shareholders, and for recommending duly qualified director nominees to the full Board for election. The qualification criteria set forth herein are designed to describe the qualities and characteristics desired for the Board as a whole and for Board members individually.

3.2 Director Selection Procedures

3.2.1 Corporate Human Resources (CHR) department shall facilitate the selection procedure by identifying prospective candidates for election to the Board, based on directors qualification criteria.

Candidates so identified for directorship shall be

evaluated by the Nomination and Remuneration Committee which will then make a suitable recommendation to the Board.

3.2.2 To aid in the shortlisting and screening process the Nomination and Remuneration Committee may take the support of professional agencies, conduct interviews or have a personality check undertaken or take any other steps to ensure that the right candidates are identified.

3.2.3 A determination of a director's qualifications to serve on the Board shall be made by the Board, upon the recommendation of the Committee, prior to nominating said director for election at the Company's next Annual General Meeting.

3.2.4 Appointment of all Directors, other than directors appointed pursuant to nomination by Financial Institutions under section 161(3) of the Act will be approved by shareholders at a general meeting or through postal ballot.

3.2.5 The Company shall issue a formal letter of appointment to independent directors in the manner as provided in Paragraph IV(4) of Schedule VI the Act.

3.3 Director qualification criteria

3.3.1 The director candidates should have completed the age of 21 years. The maximum age of executive directors shall not be more than 70 years at the time of appointment / re-appointment. However a candidate who has attained the age of 70 years may be appointed if approved by shareholders by passing of special resolution.

3.3.2 The Board has not established specific education, years of business experience or specific types of skills for Board members, but, in general, expects qualified directors to have ample experience and a proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values.

3.3.3 The candidate to be appointed as Director shall have a Director Identification Number allotted under section 154 of the Companies Act, 2013 (Act).

3.3.4 A person shall not be eligible for appointment as director of the Company if:

3.3.4.1 He is disqualified for being appointed under section 164 of the Act

3.3.4.2 The number of directorships post appointment as Director in the Company exceeds the total number of directorships permitted under section 165 of the Act and clause 49(I)(B)(2) of the listing agreement with Indian Stock Exchanges.

3.3.5 In addition any person to be appointed as a Managing Director or Wholtime Director in the Company (hereinafter referred to as 'Executive

Directors') shall have to meet the following requirements for being eligible for appointment as set out in Part I of Schedule V of the Act and the limits of directorships set out in listing agreement with stock exchanges.

3.3.6 Further, while selecting Independent Directors:

3.3.6.1 the Company may select the candidate from data bank(s) containing names, address, qualification of persons who are eligible and willing to act as Independent Directors maintained by anybody, institute or association as may be notified by the Central Government having expertise in creation and maintenance of such data bank.

3.3.6.2 The prospective candidates for appointment as Independent Directors shall have to meet the criteria of Independence laid down in sub-section (6) of section 149 of the Act and clause 49(II)(B)(1) of the listing agreement.

3.3.6.3 The number of Independent directorships in listed companies post appointment as Director in the Company and the Committee positions held by them would be within the limits prescribed in clause 49 of the listing agreement.

3.3.7 In the process of short listing Independent Directors, the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

3.4 Tenure in office

3.4.1 The appointment of all directors by the Board except for directors appointed under section 161(3) of the Act shall be upto the date of the next Annual General Meeting and shall be subject to approval of shareholders at the Annual General Meeting unless approved by the shareholders earlier.

3.4.2 The Executive Directors shall be appointed for a term of upto 5 years.

3.4.3 Independent Directors shall hold office for a term upto 5 consecutive years on the Board of the Company and shall be eligible for reappointment for a second term.

3.4.4 Independent Directors shall not hold office for more than 2 consecutive terms. Each such term may be of 5 years or less.

3.4.5 After expiry of the 2 terms, the Independent Director would be eligible for appointment only after expiry of 3 years from ceasing to being an Independent Director.

4. Criteria for appointment of Key Managerial Personnel

4.1 The Nomination and Remuneration Committee is

responsible for the appointment of Key Managerial Personnel in accordance with the laid down criteria.

4.2 The criteria laid down for the appointment of Executive Directors including the Key Managerial Personnel is set out below.

4.3 The Key Managerial Personnel are sourced from Internal and external sources. These resumes are shortlisted by the hiring manager and the shortlisted candidates are scheduled for Interviews to be managed by Human Resources department.

4.4 An Interview Committee is formed which comprises of the following members:

4.4.1 The Managing Director;

4.4.2 Head- HR; and

4.4.3 such persons as may be deemed appropriate having regard to domain knowledge and expertise.

4.5 The Interview Committee is responsible for leading the talent acquisition process and to ensure timely fulfilment of this vacancy. The HR Team will provide requisite support in the timely fulfilment of each step of the talent acquisition process.

5. Remuneration

5.1 All remuneration / fees / compensation, payable to directors shall be fixed by the Board of Directors and payment of such remuneration fees / compensation shall require approval of shareholders in general meeting except for sitting fee payable to Non Executive Directors for attending Board / Committee.

5.2 The Board shall decide on the remuneration / fees / compensation, payable to directors based on the recommendations of the Nomination and Remuneration Committee.

5.3 The total managerial remuneration payable, to its directors, including managing director and whole-time director, (and its manager) in respect of any financial year shall not exceed eleven per cent. of the net profits of the Company for that financial year computed in the manner laid down in section 198 of the Act. Provided that the Company in general meeting may, with the approval of the Central Government, authorise the payment of remuneration exceeding eleven per cent. of the net profits of the Company, subject to the provisions of Schedule V of the Act:

5.4 The Nomination and Remuneration Committee shall ensure the following while recommending the remuneration / fee / compensation payable to Directors:

5.4.1 Executive Directors

5.4.1.1 The remuneration payable to any one managing director; or whole-time director or manager shall not exceed five per cent. of the net profits of the company and if there is more than one such

director remuneration shall not exceed ten per cent. of the net profits to all such directors and manager taken together. Else the remuneration will be subject to approval of Central Government as may be required.

- 5.4.1.2 In case of inadequacy of profits mentioned in 5.3 and 5.4.1 above, the Committee while approving the remuneration for executive directors shall:
- 5.4.1.2.1 take into account, financial position of the company, trend in the industry, appointee's qualification, experience, past performance, past remuneration, etc.
- 5.4.1.2.2 be in a position to bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders.
- 5.4.2 While considering payment of remuneration / increase in remuneration payable to executive directors, key managerial personnel and other executives, the Nomination and Remuneration Committee may among other factors consider the following:
- 5.4.2.1 the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- 5.4.2.2 relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 5.4.2.2.1 remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- 5.4.2.2.2 the factors mentioned in The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, may be considered, which are required to be disclosed in the Directors Report.
- 5.4.3 Non executive Directors including Independent Directors:
- 5.4.3.1 The remuneration payable to Non Executive Directors shall not exceed 1% of the net profits of the Company.
- 5.4.3.2 A Non-Executive director may be paid remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever. The amount of such fee shall

not exceed Rs. 1,00,000/- for attending each meeting of the Board or Committee thereof or such higher amount as may be prescribed by the Central Government.

- 5.4.3.3 An independent Director shall not be entitled to any stock option.

6. Training

- 6.1 The Company shall provide suitable training to Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.
- 6.2 Every new Director, on appointment:
- 6.2.1 Will be provided with an Induction Manual
- 6.2.2 Will undertake an induction programme. It will provide an opportunity to the inductee to interact with the senior management team and help understand the strategy, operations, products, markets, organization structure, finance, human resources and risk management among others.
- 6.2.3 will be taken to visit the Company's key ports & terminals to familiarize them with the Company's operations.
- 6.2.4 Will be guided by the Company Secretary on the role and responsibilities of directors, the constitution and role of the Board and its Committees, the frequency of meetings and time commitment expected from them, decision making process being followed and compliance monitoring and reporting processes.
- 6.3 On an ongoing basis training will be provided to directors to update on developments in industry, technology and statutory, regulatory, economic environment, new accounting policies, corporate governance developments, etc. Specific training requirements of directors will also be met depending on the role and responsibilities they have to take up in the Company and the performance evaluation. Training will be imparted to directors through participation in conferences, seminars and workshops. The Company may also organize for training programmes conducted by internal / external faculty.
- 6.4 Details of such trainings provided shall be disclosed in the Annual Report.

7. Performance evaluation and re-appointment

- 7.1 The Board will annually evaluate its performance through a self-evaluation process. The evaluation identifies enhancements to director skill sets and ensures that board members are performing to expectations.
- 7.2 Evaluation review process
- 7.2.1 The Nomination & Remuneration Committee will annually oversee a review of the Board's performance, which shall include a self-evaluation by the Board, and will discuss the results of this

review with the full Board following the end of each fiscal year.

- 7.2.2 Evaluation of the Board and Committees thereof – formal annual evaluation has to be made by the Board of its own performance and that of its Committees.
- 7.2.3 Evaluation of Chairman - A separate meeting of Independent Directors will review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors. They will forward their recommendations to the Nomination and Remuneration Committee.
- 7.2.4 Other Non-Independent Directors - The Independent Directors will also review the performance of non-independent directors and the Board as a whole and submit their recommendations to the Nomination and Remuneration Committee.
- 7.2.5 Executive Directors - The Nomination and Remuneration Committee conducts an annual review of the performance of the Managing Director & CEO and other Wholtime Directors against the Company's goals and objectives.
- 7.2.6 Independent Directors - The performance evaluation of independent directors shall be done by the entire Board of Directors (excluding the director being evaluated).
- 7.2.7 A statement indicating the manner of formal annual evaluation of the Board, its Committees and individual directors will be included in the Report of the Board of Directors each year.

7.3 Criteria for evaluation

- 7.3.1 Evaluation of Board as a whole
- The Independent Directors and the Nomination and Remuneration Committee while undertaking board evaluation will decide on the criteria of evaluation of the Board and its Committees which among others may include:
- 7.3.1.1 the extent to which the Board and its Committees are successful in fulfilling their key roles and responsibilities.
- 7.3.1.2 the extent to which individual directors contribute to the achievement of these objectives.
- 7.3.1.3 the extent to which the Board and its Committees adhere to best practices in structure and procedure.
- 7.3.1.4 the Committee will consider the balance of skills, experience, independence and knowledge requirements at Essar Ports Ltd. including gender diversity and how the Board works together as a unit, and other factors relevant to its effectiveness.

7.4 Non Executive Directors

- 7.5 The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committees. An indicative list of factors that may be evaluated as part of this exercise is :

- 7.5.1 Participation in meetings and contribution by director.
- 7.5.2 Commitment including guidance provided to senior management executives outside of Board / Committee meetings.
- 7.5.3 Effective deployment of expertise and knowledge.
- 7.5.4 Effective management of relationship with stakeholders.
- 7.5.5 Integrity and maintenance of confidentiality.
- 7.5.6 Independence of behavior and judgement.
- 7.5.7 Impact and influence.

7.6 Executive Directors

- 7.6.1 The compensation will be finalized by the Nomination and Remuneration Committee based on evaluation of the individual director and the performance of the Company.

7.7 Structure of evaluation process

- 7.7.1 The structure of the evaluation process will be finalized by the Nomination and Remuneration Committee either on its own in consultation with Corporate Human Resources Department or by engaging the services of external consultants.
- 7.7.2 Each board evaluation may have slight differences in focus, priority and outcomes but will broadly follow a similar approach.
- 7.7.3 Board evaluation to be finalized by the Nomination and Remuneration Committee may cover the following areas :
- 7.7.3.1 Briefing of the Board.
- 7.7.3.2 Gathering of evidence using a questionnaire.
- 7.7.3.3 Drafting of Board evaluation report.
- 7.7.3.4 Discussion of the Board evolution report by the entire Board.
- 7.7.3.5 Meetings between the Chairman and individual directors to discuss individual director evaluation.
- 7.7.3.6 Determination of Board development strategy.

7.8 Reappointment of Directors

- 7.9 The reappointment of directors will not be automatic.

- 7.10 Before the expiry of term in office on account of retirement by rotation of Non Executive Non Independent Directors or the completion of term in office of the Executive Directors or Independent Directors, the Nomination and Remuneration Committee will make recommendations to the Board.
- 7.11 In determining whether the directors should be submitted to reappointment, the Nomination and Remuneration Committee should:
- 7.11.1 Consider extending or continue the term of appointment of the Directors on the basis of performance evaluation;
- 7.11.2 Assess the current Board's skills and qualities;
- 7.11.3 The needs of the Company's business currently and going forward;
- 7.11.4 Measure the retiring directors' skills against the selection criteria set by the Nomination and Remuneration Committee.
- 7.12 The directors eligible to retire by rotation shall be determined based on the provisions of section 152 of the Act.
- 7.13 Shareholders approval for reappointment of Executive Directors shall not be taken more than 1 year before expiry of their present term.
- 7.14 Disclosure
- Summary of results of performance evaluation shall be disclosed in the Annual Report / Corporate Governance report and re-appointment of Independent directors shall be basis the outcome of such evaluation.

8. Mechanism for evaluation of Board, Chairman and Directors

- 8.1 The Nomination & Remuneration Committee has formulated the following mechanism for evaluation of the entire Board & Committees..
- 8.1.1 The evaluation of the Board as a whole shall be done by all the directors.
- 8.1.2 The evaluation of the Independent Directors shall be done by the entire Board excluding the director being evaluated.

- 8.1.3 The evaluation of the Non-Independent Directors shall be done by the Independent Directors.
- 8.1.4 The evaluation of performance of the Chairman shall be done by the Independent Directors.
- 8.2 The performance evaluation shall be undertaken based on the feedback provided by Board members and the guidelines formulated from time to time.
- 8.3 The report shall be submitted as under:
- 8.3.1 Evaluation report of the performance of the Board shall be submitted to the Chairman of the Nomination & Remuneration Committee, who shall present it to the Board.
- 8.3.2 Evaluation report of Individual Directors (excluding the Chairman of the Nomination & Remuneration Committee) shall be submitted to the Chairman of the Nomination & Remuneration Committee, who will have it submitted to the Committee. The evaluation report of the Chairman of the Committee will be forwarded to the Chairman of the Board who will have it submitted to the Board or Committee.
- 8.3.3 Evaluation report of the Chairman shall be submitted to the Chairman of the Nomination & Remuneration Committee, who will discuss the same with the Chairman and thereafter submit it to the Board.

For Salaya Bulk Terminals Limited

	SD /-	SD /-
	Rajiv Agarwal	Jose Paul
	Committee Chairman	Committee Member
Mumbai	DIN : 00903635	DIN : 01256347
August 30, 2022		

EXTRACT OF ANNUAL RETURN

Form No. MGT-9

(As on the Financial Year ended on 31st March, 2022)

[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	:	U61100GJ2014PLC078242
ii)	Registration Date	:	January 10, 2014
iii)	Name of the Company	:	SALAYA BULK TERMINALS LIMITED
iv)	Category/Sub-Category of the Company	:	Public Company limited by shares
v)	Address of the Registered Office and contact details	:	Salaya Administrative Building, 44 KM, P. O. box 7 Taluka Khambaliya, District Dev Bhoomi Dwarka Jamnagar Jamnagar GJ 361305 IN Tel: +91 2833 664440 - Fax: +91 2833 661366 E-mail: epl.secretarial@essarport.co.in website: www.essarports.com
vi)	Whether listed company	:	No
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	:	Data Software Research Company Private Limited 19, Pycrofts Garden Road, Off Haddows Road, Nungambakkam Chennai- 600006, Tamil Nadu. Phone : +91 44 2821 3738, 2821 4487 E-mail : essar.ports@dsrc-cid.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

SI No.	Name and Description of main products/ services	NIC Code of the Product/ Service	% to total turnover of the Company
1.	Service activities incidental to water transportation (Fleet operating and chartering income)	52220	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES AS ON MARCH 31, 2022:

HOLDING COMPANY [Section 2(46) of the Companies Act, 2013]			
SI No.	Name and address of the company	CIN/GLN	% of shares held
1.	Essar Ports & Terminals Limited Essar House, 10, Frere Felix De Valois Street, Port Louis, Mauritius	N.A.	97.76%

SUBSIDIARY COMPANIES [Section 2(87) of the Companies Act, 2013]			
SI. No.	Name and address of the company	CIN/GLN	% of shares held
1.	Essar Bulk Terminal (Salaya) Limited Salaya Administrative Building, 44 Km Stone, Jamnagar-Okha Highway, PO Box No. 07, Khambhaliya, Jamnagar, Gujarat- 361305, India.	U63032GJ2007PLC093255	74%

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding

	Category of Shareholders	No. of Shares held at the end of the year 2021				No. of Shares held at the end of the year 2022				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
1	Indian									
(a)	Bodies Corporate	2104169	0	2104169	9.83	0	0	0	0	-9.83
	Sub-Total (A)(1)	2104169	0	2104169	9.83	0	0	0	0	-9.83
2	Foreign									
(a)	Bodies Corporate	18829154	0	18829154	87.93	20933323	0	20933323	97.76	9.83
	Sub-Total (A)(2)	18829154	0	18829154	87.93	20933323	0	20933323	97.76	9.83
	Total Promoter Shareholding=(A)(1)+(A)(2)	20933323	0	20933323	97.76	20933323	0	20933323	97.76	0.00
B.	Public Shareholding									
1	Institutions									
(a)	Mutual Funds/ UTI	164	1594	1758	0.01	164	1594	1758	0.01	0.00
(b)	Financial Institutions/ Banks	131	2416	2547	0.01	131	2416	2547	0.01	0.00
(c)	Insurance Companies	0	0	0	0.00	0	0		0.00	0.00
(d)	Foreign Institutional Investors	0	600	600	0.00	0	600	600	0.00	0.00
(e)	Qualified Foreign Investor									
(i)	Any other (Specify)									
	Sub-Total (B)(1)	295	4610	4905	0.02	295	4610	4905	0.02	0.00
2	Non -Institutions									
(a)	Bodies Corporate	11929	4640	16569	0.08	12006	4203	16209	0.08	0.00
(i)	Indian									
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs.1 lakh.	254598	186146	440744	2.06	255989	184848	440837	2.06	0.00
(ii)	Individual shareholders holding nominal share capital in excess of Rs.1 lakh									
(c)	Others									
(i)	Qualified Foreign Investor									
-	Non Resident Individuals	8587	8685	17272	0.08	8854	8685	17539	0.08	0.00
-	Non Domestic Company	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(2)	275114	199471	474585	2.22	276849	197736	474585	2.22	0.00
	Total Public Shareholding (B)=(B)(1)+B(2)	275409	204081	479490	2.24	277144	202346	479490	2.24	0.00
	TOTAL (A) + (B)	21208732	204081	21412813	100.00	21210467	202346	21412813	100.00	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued									
	GRAND TOTAL (A)+(B)+(C)	21208732	204081	21412813	100.00	21210467	202346	21412813	100.00	0.00

ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the end of the year 2021			Shareholding at the end of the year 2022			% change in share holding during the year
		No. of Shares	% of Shares total of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of Shares total of the company	% of Shares Pledged/ encumbered to total shares	
1	IBROX AVIATION AND TRADING PRIVATE LIMITED	2104169	9.83	9.83	0	0.00	9.83	-9.83
2	ESSAR PORTS & TERMINALS LIMITED	18829154	87.93	87.93	20933323	97.76	87.93	9.83
	Total	20933323	97.76	97.76	20933323	97.76	97.76	0.00

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

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year 01.04.2021		Date +	Increase/ Decrease (No. of shares)+	Reasons +	Cumulative Shareholding during the year (1.4.2021-31.03.2022)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	IBROX AVIATION AND TRADING PRIVATE LIMITED	2104169	9.83	25.03.2022	2104169	sold	0	0.00
2	ESSAR PORTS & TERMINALS LIMITED	18829154	87.93	25.03.2022	2104169	bought	20933323	97.76

iv) Shareholding Pattern of top ten Shareholders (others than Directors, Promoters and Holders of Foreign Currency Convertible bonds) as on 31st March, 2022

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year 01.04.2021		Date +	Increase/ Decrease (No. of shares)+	Reasons +	Cumulative Shareholding during the year (1.4.2021-31.03.2022)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	LAL TOLANI	3490	0.02				3490	0.02
2	R J SHARES AND SECURITIES PRIVATE LIMITED	1426	0.01				1426	0.01
3	SUSHIL KUMAR GUPTA	1426	0.01				1426	0.01
4	RITU JAIN	1340	0.01				1340	0.01
5	BANK OF INDIA-- IN HOUSE ACCOUNT	1265	0.01				1265	0.01
6	RIPON ESTATES LTD	1200	0.01				1200	0.01
7	R P DAVID	1200	0.01				1200	0.01
8	SHRINIVAS VASUDEVA DEMPO	1200	0.01				1200	0.01
9	K D PARAKH	1200	0.01				1200	0.01
10	SATYAVATI R RUIA	1108	0.01				1108	0.01

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of Shareholders	Shareholding		Cumulative Shareholding during the year		
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
		Nil				

V. INDEBTEDNESS

The indebtedness of the Company as on March 31, 2022 was as follows:

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

(₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Compulsorily convertible debentures	Total Indebtedness
Indebtedness at the beginning of the financial year					
i) Principal Amount	-	11,108.33	-	2,037.79	13,146.12
ii) Interest due but not paid	-	-	-	0.33	0.33
iii) Interest accrued but not due	-	-	-	-	-
Total (i+ii+iii)	-	11,108.33	-	2,038.12	13,146.45
Change in Indebtedness during the financial year					
Additions*	-	200.00	-	-	200.00
Reduction	-	-	-	-	-
Exchange effect / IND AS adjustment		(236.04)			(236.04)
Interest accrued paid / waived / adjusted in scheme	-	-	-	-	-
Interest accrued but not due	-	-	-	0.35	0.35
Net Change	-	(36.04)	-	0.35	(35.69)
Indebtedness at the end of the financial year					
i) Principal Amount	-	11,072.29	-	2,038.12	13,110.41
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	0.35	0.35
Total (i+ii+iii)	-	11,072.29	-	2,038.47	13,110.76

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Wholetime Directors and/or Manager:

(₹ lakhs)

Sl. No.	Particulars of Remuneration	Name of the Directors	Total Amount
1.	Gross salary	NOT APPLICABLE	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission		
5.	Others (Contribution to PF & Superannuation)		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to Other Directors:

(₹ in lakhs)

Particulars of Remuneration	Name of the Directors (Independent Directors)		Total Amount
	Dr. Jose Paul	Capt. B. S. Kumar	
Fee for attending Board / Committee meetings	3.60	3.60	7.20
Commission	-	-	-
Total (B)	3.60	3.60	7.20
Ceiling as per the Act	Not applicable		
Total Managerial Remuneration =(A+B)	7.20 Lakhs		

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

	Particulars of Remuneration	Name of the Key Managerial Personnel
1.	Gross salary	NOT APPLICABLE
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	
(c)	Profits in lieu of salary under section 17(3) Income tax Act, 1961	
2.	Stock Option	
3.	Sweat Equity	
4.	Commission	
5.	Provident Fund	
Total		

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

For and on behalf of the Board of Directors

Rajiv Agarwal

Director

DIN : 00903635

Amit Bapna

Director

DIN : 00008443

Mumbai, August 30, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Salaya Bulk Terminals Limited Report on the Audit of the Standalone Financial Statements Qualified Opinion

We have audited the standalone financial statements of **Salaya Bulk Terminals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone 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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

The management has assessed that the investment in subsidiary of the Company having carrying amount of Rs. 58,908.50 lakhs as at March 31, 2022 has not suffered any impairment loss, basis the future projections of revenue and cashflows of the subsidiary of the Company which are highly dependent on successfully settlement of its existing debt obligations, restarting of the operations of one of its anchor customer and withdrawal of various legal action by the lenders. Inclusion of the cashflow associated with these events in estimate of the future cashflow constitutes material departure from the provisions of Indian Accounting Standard (Ind AS) 36: Impairment of Assets. Any impact of this on the financial statements is presently unascertainable (Refer note 6 of the financial statements).

This matter was also qualified in our report on the standalone financial statements for the year ended March 31, 2021.

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 ("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

thereunder, 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 qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note no. 39 of the standalone financial statements which states that as on March 31, 2022, the Company's current liabilities exceed its current assets by Rs 3,589.13 lakhs. This situation indicates existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The Management has addressed this deficit by obtaining financial support from its holding Company. Accordingly, the financial statements have been prepared on going concern basis.

Our opinion is not modified in respect of this matter.

Information Other than the Standalone 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 Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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. As described in the Basis for Qualified Opinion section above, any impact on the financial statements of the material departure from the provisions of Ind AS 36 is presently unascertainable.. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate

accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements..

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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) Except for the possible effects of the matter described in the Basis of Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) Except for the matter described in the Basis of Qualified Opinion section above, in our opinion, the aforesaid standalone 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) The matter described in Basis of Qualified Opinion paragraph above and Material Uncertainty Related to Going Concern section of our report, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- (h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. 1) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or

otherwise, that the Intermediary shall, 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.

- (2) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, 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.
- (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to

us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement..

- v. The Company has neither declared nor paid any dividend during the year.
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
UDIN: 22122071AQIDXL2688

Place: Mumbai
Date: August 30, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SALAYA BULK TERMINALS LIMITED For the year ended March 31, 2022

Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 internal financial controls with reference to standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
UDIN: 22122071AQIDL2688

Place: Mumbai
Date: August 30, 2022

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SALAYA BULK TERMINALS LIMITED For the year ended March 31, 2022

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations provided to us, the Company has not been sanctioned working capital limits. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) According to the information explanation provided to us, the Company has provided loans or given guarantee to any other entity.
- (A) The details of such loans or given guarantee to subsidiaries, Joint Ventures and Associates are as follows:

Particulars	Guarantees	Loans
Aggregate amount granted/provided during the year		
- Subsidiary	₹ NIL	₹ 200.00 lakhs
Balance Outstanding as at balance sheet date in respect of above cases	₹ 20,201.61 lakhs	₹ 2,051.00 lakhs
- Subsidiaries		

The Company has not provided advances in the nature of loans or provided security to subsidiaries, Joint Ventures and Associates during the year.

- (B) The details of such loans to parties other than subsidiary, joint ventures and associates are as follows:

Particulars	Loans
Aggregate amount granted/provided during the year	
- Others	₹ NIL
Balance Outstanding as at balance sheet date in respect of above cases	₹ 35.00 lakhs
- Others	

The Company has not provided advances in the nature of loans, or given guarantee, or provided security to parties other than subsidiary, joint ventures and associates during the year.

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, and grant of all loans are not prejudicial to the interest of the Company.
- (c) In case of the loans, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the payment of the principal. Further during the year, the Company has waived off interest receivable on such loans.
- (d) There are no amounts overdue for more than ninety days in respect of the loan granted to Companies.
- (e) According to the information and explanation provided to us, the loan granted has fallen due during the year. The same has been renewed. The details of the same are as follows:

Name of the Parties	Aggregate amount of overdue of existing loans renewed or extended or settled by fresh loans	Percentage* of the aggregate to the total loans or advances in the nature of loans granted during the year
Essar Bulk Terminals Salaya Limited	₹ 1,851 lakhs	89%
Essar Steel Metal Trading Limited	₹ 35 lakhs	2%

- (f) According to the information explanation provided to us, the Company has not any granted loans and / or advances in the nature of loans. Hence, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the

provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and service tax, income-tax, cess have been regularly deposited by the company with appropriate authorities in all cases during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service 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.

- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, cess and any other statutory dues which have not been deposited on account of any dispute, except as follows:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Amount paid under protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	3.74	AY 2012-13	AY 2018-19	Commissioner of Income Tax (Appeals), Mumbai

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- (c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion, according to the information explanation provided to us, there are no funds raised on short term basis. Accordingly, the provision stated in paragraph 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information explanation given to us and on an overall examination of the standalone financial statement of the company, we report that the Company has taken funds from following entities and persons on account of or to meet the obligations of its subsidiaries, associates or joint ventures as per details below:

Nature of fund taken	Name of Lender (Bank/ NBFC/ Corporate etc.)	Amount involved (₹ in Lakhs)	Name of subsidiaries/ associates /Joint venture	Relation	Nature of such transactions for which fund utilized	Remarks, if any
Inter-Company deposits (ICD)	Essar Bulk Terminal Paradip Limited	₹ 200.00	Essar Bulk Terminal (Salaya) Limited	Subsidiary	Payment towards liabilities	None

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- xi. (a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company.
- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2022, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the course of audit. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. In our opinion and based on our examination, the Company does not require to comply with provision of section 138 of the Act. Hence, the provisions stated in paragraph 3(xiv) (a) to (b) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph clause 3 (xvi) (d) of the order are not applicable to the company.
- xvii. According to the information explanation provided to us, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that a material uncertainty exists as on the date of audit report. However, the 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. Further, the Holding company has provided necessary financial support to enable the company to continue as a going concern. In view of the above, the standalone financial statements of the Company have been prepared on a going concern basis.
- xx. According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Hence, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report..

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
UDIN: 22122071AQIDXL2688

Place: Mumbai
Date: August 30, 2022

ANNEXURE C TO INDEPENDENT AUDITORS' REPORT

OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SALAYA BULK TERMINALS LIMITED For the year ended March 31, 2022

[Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Salaya Bulk Terminals Limited on the Financial Statements for the year ended March 31, 2022]

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Salaya Bulk Terminals Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to standalone financial statements 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 (ICAI) (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
UDIN: 22122071AQIDXL2688

Place: Mumbai
Date: August 30, 2022

Balance Sheet as at March 31, 2022

₹ in lakhs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	243.66	324.87
(b) Investment in subsidiary	6	58,908.50	58,908.50
(c) Financials assets			
(i) Loans	7	1,666.73	-
(d) Other non-current assets	8	199.82	-
Total non-current assets		61,018.71	59,233.37
Current assets			
(a) Financial assets			
(i) Trade receivables	9	34.80	0.13
(ii) Cash and cash equivalents	10	82.65	6.57
(iii) Bank balance other than cash and cash equivalent	11	35.00	35.00
(iv) Loans	12	35.00	1,886.00
(v) Other financial assets	13	3,780.51	9.41
(b) Current tax assets	14	11.63	11.91
(c) Other current assets	15	195.65	30.23
Total current assets		4,175.24	1,979.25
Total Assets		65,193.95	61,212.62
II EQUITY AND LIABILITIES			
EQUITY			
(a) Share capital	16	2,141.28	2,141.28
(b) Other equity	17	46,634.43	46,801.00
Total equity		48,775.71	48,942.28
LIABILITIES			
Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	8,087.29	-
(b) Deferred tax liability	19	-	8.91
(b) Other non-current liabilities	20	566.58	-
Total non current liabilities		8,653.87	8.91
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	2,985.00	11,108.33
(i) Trade payables	22	3,020.92	12.99
(ii) Other financial liabilities	23	1,738.10	1,122.62
(b) Current tax liabilities (net)	24	-	-
(c) Other current liabilities	24	20.35	17.49
Total current liabilities		7,764.37	12,261.43
Total Liabilities		16,418.24	12,270.34
Total equity and liabilities		65,193.95	61,212.62

Summary of significant accounting policies

3

The accompanying notes are integral part of the financial statements.

In terms of our report attached

For and on behalf of the Board of Directors of Salaya Bulk Terminals Limited

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amit Bapna
Director
DIN: 00008443

Kamla Kant Sinha
Director
DIN- 00009113

Sant Khare
Chief Executive Officer

Bhavik Lalit Shah
Partner
Membership No.: 122071
Mumbai, August 30, 2022

Ankush Goyal
Chief Financial Officer

Bhawani Shankar Thanvi
Company Secretary
Membership No.: A50535

Mumbai, August 30, 2022

Statement of Profit and Loss for the year ended March 31, 2022

₹ in lakhs

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I Revenue from operations	25	2,960.00	316.50
II Other income	26	237.80	265.96
III Total Income (I + II)		3,197.80	582.46
IV Expenses:			
(a) Operating expenses	27	2,676.67	131.07
(b) Other expenses	28	383.77	32.75
(c) Depreciation	5	81.21	81.21
(d) Finance costs	29	227.63	0.27
V Total Expenses		3,369.28	245.30
VI Profit / (Loss) before tax		(171.48)	337.17
VII Tax expense/(benefit):			
(a) Current tax		4.00	-
(b) Deferred tax	34	(8.91)	8.91
		(4.91)	8.91
VIII Profit / (Loss) for the year (VII-VI)		(166.57)	328.26
Other comprehensive income		-	-
IX Total other comprehensive income		-	-
X Profit / (Loss) for the year (VIII+IX)		(166.57)	328.26
XI Earnings per equity share			
(1) Basic (in Rs)	31	(0.40)	0.79
(2) Diluted (in Rs)	31	(0.40)	0.79

Summary of significant accounting policies

3

The accompanying notes are integral part of the financial statements

In terms of our report attached

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
Mumbai, August 30, 2022

For and on behalf of the Board of Directors of Salaya Bulk Terminals Limited

Amit Bapna
Director
DIN: 00008443

Ankush Goyal
Chief Financial Officer

Mumbai, August 30, 2022

Kamla Kant Sinha
Director
DIN- 00009113

Bhawani Shankar Thanvi
Company Secretary
Membership No.: A50535

Sant Khare
Chief Executive Officer

Statement of Changes in Equity for the year ended March 31, 2022

A. EQUITY SHARE CAPITAL

₹ in lakhs

Particulars	Amount
Balance as at April 1, 2020	2,141.28
Changes in equity share capital during the year	-
Changes in equity share capital due to prior period errors	-
Balance as at March 31, 2021	2,141.28
Changes in equity share capital during the year	-
Changes in equity share capital due to prior period errors	-
Balance as at March 31, 2022	2,141.28

B. OTHER EQUITY

₹ in lakhs

Particulars	Capital Reserve	Retained earnings	Equity Component of Compulsorily Convertible Cumulative Participating Preference shares #	Equity Component of Compulsorily Convertible Debentures	Securities Premium	Total
Balance as at April 1, 2020	26,169.28	(3,469.40)	0.00	2,037.79	21,735.07	46,472.74
Loss for the year	-	328.26	-	-	-	328.26
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-
Total comprehensive profit for the year	-	328.26	-	-	-	328.26
Balance as at March 31, 2021	26,169.28	(3,141.14)	0.00	2,037.79	21,735.07	46,801.00
Loss for the year	-	(166.57)	-	-	-	(166.57)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-
Total comprehensive loss for the year	-	(166.57)	-	-	-	(166.57)
Balance as at March 31, 2022	26,169.28	(3,307.71)	0.00	2,037.79	21,735.07	46,634.43

Amount is less than Rs 1000

The accompanying notes are integral part of the financial statements.

In terms of our report attached

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
Mumbai, August 30, 2022

For and on behalf of the Board of Directors of Salaya Bulk Terminals Limited

Amit Bapna
Director
DIN: 00008443

Ankush Goyal
Chief Financial Officer

Mumbai, August 30, 2022

Kamla Kant Sinha
Director
DIN- 00009113

Bhawani Shankar Thanvi
Company Secretary
Membership No.: A50535

Sant Khare
Chief Executive Officer

Cash Flow Statement for the year ended March 31, 2022

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A Cash flow from operating activities		
Profit/(Loss) before taxation	(171.48)	337.16
Adjustments for:		
Interest income on fixed deposits	(2.93)	(2.75)
Depreciation and amortisation expense	81.21	81.21
Unrealised foreign exchange (profit)/ loss	340.00	(261.88)
Finance income on recognition of financial liabilities at amortised cost	(232.96)	-
Interest income on CCDs	(1.33)	(1.33)
Finance costs	227.63	0.27
Operating Profit before working capital changes	240.14	152.68
Movements in Working Capital:		
Increase in trade payables	3,007.93	0.92
(Decrease) in other financial liabilities	614.56	(1,737.16)
Decrease/(Increase) in trade receivables	(34.68)	16.79
Decrease/(Increase) in other financial assets	(3,752.05)	(125.05)
Cash (used in)/generated from operations	75.90	(1,691.82)
Taxes Paid (net of refund)	(3.73)	(3.91)
Net cash (used in)/generated from operating activities	72.17	(1,695.73)
B Cash flow from investing activities		
Unsecured loan given to related party	(200.00)	(35.00)
Interest received on fixed deposit	2.93	-
Interest received on CCDs	1.33	-
Net cash used in investing activities	(195.74)	(35.00)
C Cash Flow from Financing activities		
Inter-corporate deposit received	200.00	2,985.00
Inter-corporate deposit refunded	-	(1,390.00)
Finance costs paid	(0.35)	-
Net cash (used in)/ cash generated from Financing activities	199.65	1,595.00
Net (outflow)/ increase in cash and cash equivalents (A+B+C)	76.08	(135.73)
Cash and cash equivalents at the beginning of the year	6.57	142.30
Cash and cash equivalents at the end of the year	82.65	6.57

Notes :

₹ in lakhs

1	Reconciliation between closing cash and cash equivalents and cash and bank balances	For the year ended March 31, 2022	For the year ended March 31, 2021
	Cash and cash equivalents as per cash flow statement	82.65	6.57
	Add : Margin money deposits not considered as cash and cash equivalents as per IND AS-7	35.00	35.00
	Cash and bank balances (Refer Note 10 and 11)	117.65	41.57

2. Changes arising in financial liabilities due to financing activities

Particulars	As at April 01, 2021	Cash movement	Non cash movement	As at March 31, 2022
Borrowings including current maturities	11,108.33	200.00	(236.04)	11,072.29
Total	11,108.33	200.00	(236.04)	11,072.29

Particulars	As at April 01, 2020	Cash movement	Non cash movement	As at March 31, 2021
Borrowings including current maturities	9,775.21	1,595.00	(261.88)	11,108.33
Total	9,775.21	1,595.00	(261.88)	11,108.33

3. The Statement of cash flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of cash flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
4. The accompanying notes are integral part of the financial statements.

In terms of our report attached

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
Mumbai, August 30, 2022

For and on behalf of the Board of Directors of Salaya Bulk Terminals Limited

Amit Bapna
Director
DIN: 00008443

Ankush Goyal
Chief Financial Officer

Mumbai, August 30, 2022

Kamla Kant Sinha
Director
DIN- 00009113

Bhawani Shankar Thanvi
Company Secretary
Membership No.: A50535

Sant Khare
Chief Executive Officer

Notes forming part of the financial statements for the year ended March 31, 2022

1. Corporate Information

Salaya Bulk Terminals Limited ("the Company") is a public limited company incorporated under the Companies Act, 1956 and its registered office is located at Salaya Administrative Building, 44 KM, P. O. box 7, Taluka Khambaliya, District Dev Bhoomi Dwarka, Jamnagar, Gujarat. Principal place of business of the Company is located at Salaya, Gujarat.

The Company through its subsidiary is developing a dry bulk port facility at Salaya in Gujarat which is designed to handle dry bulk cargo of 20 million metric tonne per annum. The facility will include 385 meters long jetty, two ship unloaders and a loader, conveyors belts of 12.8 kms for transportation of cargo from the jetty till the stock yard, storage facilities for cargo and other port facilities for handling of captive and third party cargo.

The financial statements were approved for issue by the board of directors on August 30, 2022.

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakh, except where otherwise indicated.

2. Basis of preparation and presentation

The Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Rules as amended from time to time and accounting principles generally accepted in India.

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of IndAS 17, and measurement that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition for financial reporting purposes, fair value measurement are categorized into level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are

observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly, and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. Summary of significant accounting policies:

A. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets.

Capital work in progress comprise of those costs that relate directly to specific assets and those that are attributable to the construction or project activity in general and can be allocated to specific assets up to the date the assets are put to their intended use. At the point when an asset is operating at management's intended use, the capital work in progress is transferred to the appropriate category of property, plant and equipment and depreciation commences. Major inspections and overhauls are identified and accounted for as an asset if that component is used over more than one reporting period.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of assets	Years
Plant and equipment	10 – 15

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Freehold land is not depreciated.

Notes forming part of the financial statements for the year ended March 31, 2022

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

B. Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the carrying amounts of tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

C. Leases

(a) The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee,

except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the

Notes forming part of the financial statements for the year ended March 31, 2022

modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the balance sheet.

The Company applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy. Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

As a practical expedient, IND AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(b) The Company as lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

D. Revenue recognition

The Company earns revenue primarily from operating fleet.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

Ind AS 115 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are as follows:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contracts;
- Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company has adopted Ind AS 115 using the cumulative effect method. In this method this standard is applied to contracts that are not completed on as at the date of initial application (i.e. April 01, 2018) and the comparative information in the statement of profit and loss is not restated.

There is no impact on the financial statement of the Company on initial application of this standard.

Revenue is recognised upon rendering of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. In case of operating fleet, revenue is recognized on a time proportion basis.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Notes forming part of the financial statements for the year ended March 31, 2022

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues. The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Company does not have any significant impact on revenue due to application of this standard.

Use of significant judgements in revenue recognition :

- The Company's contracts with customers could include promises to transfer multiple services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate

the transaction price to each distinct performance obligation.

- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such service, transfer of significant risks and rewards to the customer etc. .

The company does not have any unsatisfied performance obligation as at the year end.

Interest income

Interest income is recognised on a time proportion basis following effective interest rate method.

Dividend income

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

E. **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalisation of the borrowing costs is suspended during extended periods in which it suspends active development of a qualifying asset.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

F. **Employee benefits**

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit

Notes forming part of the financial statements for the year ended March 31, 2022

costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of profit and loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

G. Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks;

H. Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets primarily comprise of investments, loans and advances, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings, trade and other payables.

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

I. Financial assets

a) Initial recognition and measurement

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

Notes forming part of the financial statements for the year ended March 31, 2022

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.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

b) Investments in subsidiaries and associates

Investment in subsidiaries and associates are accounted at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to Statement of Profit and Loss.

c) Classification of financial assets

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

1. Financial assets at amortised cost
2. Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognized in the statement of profit and loss (i.e. fair value through profit and loss) (FVTPL), or recognized in other comprehensive income (i.e. fair value through other comprehensive income) (FVTOCI)

Financial asset at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Financial assets at fair value

Debt instruments

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company has made an irrevocable election to designate an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. Dividends on these investments are recognized in the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Notes forming part of the financial statements for the year ended March 31, 2022

d) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the Statement of Profit and Loss and is included in the 'Other income' line item.

e) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

f) Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original

effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Notes forming part of the financial statements for the year ended March 31, 2022

II. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the

entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other Income' line item in the Statement of Profit and Loss.

Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) that are not held-for-trading and are not designated as at FVTPL are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit or Loss.

d) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through Statement of profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and

Notes forming part of the financial statements for the year ended March 31, 2022

risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the Statement of profit or loss, unless designated as effective hedging instruments.

e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

I. Compound financial instrument

Compound financial instruments issued by the Company comprise of foreign currency convertible bonds. Compound financial instruments are separated into liability and equity components based on the terms of the contract.

The liability component of compound financial instrument is initially recognised at the fair value of the similar liability without an equity conversion option. The equity component is initially recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Subsequent to initial recognition, the financial liability is measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The equity component of the compound financial instrument is not measured subsequently.

Transaction costs are apportioned between the liability and equity components of the compound financial instrument based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

J. Taxation

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

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which

those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward as per tax laws. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal income tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the period

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

K. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past event, and it is probable that an outflow of resources embodying economic benefits, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used,

Notes forming part of the financial statements for the year ended March 31, 2022

the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are disclosed where inflow of economic benefits is probable.

L. Business combinations under common control

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method.

Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

3.1 Key sources of estimation uncertainty and critical accounting judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions about the reported amounts of assets, liabilities, income and expenses that are not readily apparent from other sources. Such judgements, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognised in the financial statements and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Going Concern

The management at each close makes an assessment of the Company's ability to continue as a going concern. In making such evaluation, it considers, inter alia, the quantum and timing of its cash flows, in particular collection of all its recoverable amount and settlement of its obligations to pay creditors and lenders on due dates. The accounting policy choices in preparation and presentation of the financial statements is based on the Company's assessment that the Company will continue as a going concern in the foreseeable future.

ii) Arrangement in the nature of lease and separating payments of lease from the other considerations

The Company has entered into arrangements on take or pay basis to cargo handling service to Essar Steel India Limited. Based on assessment of the terms of the arrangements, the Company has concluded that these arrangements are not in the nature of lease.

iii) Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the Management.

iv) Impairment of non-financial assets

The management performs annual impairment tests on cash generating units and capital work-in-progress for which there are indicators that the carrying amount might be higher than the recoverable amount. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable

Notes forming part of the financial statements for the year ended March 31, 2022

amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 4.

v) Income Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

vi) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

vii) Recoverability of financial assets

Assessment of recoverability of trade receivables require significant judgment. Factors considered include the credit rating, assessment of intention and ability of the counter party to discharge the liability, the

amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment. .

viii) Fair value measurement of financial instruments

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 30 for further disclosures.

3.2 Recent accounting pronouncements:

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022.

- Proceeds before intended use of property, plant and equipment- Ind AS 16, Property, Plant and Equipment
- Onerous Contracts – Cost of fulfilling a contract- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets
- References to the conceptual framework- Ind AS 103, Business combinations
- Fees included in the 10% test for derecognition of financial liabilities- Ind AS 109, Financial Instruments

The Company is assessing the impact of these changes and will accordingly incorporate the same for the financial statements for the year ended March 31, 2023.

There are no other standards, changes in standards and interpretations that are not in force up to reporting period that the Company expects to have a material impact arising from its application in its financial statements.

Notes forming part of the financial statements for the year ended March 31, 2022

4 PROPERTY, PLANT AND EQUIPMENT

₹ in lakhs

Particulars	Plant and equipment
Cost	
At April 1, 2020	782.79
Additions	-
At March 31, 2021	782.79
Addition	-
At March 31, 2022	782.79
Accumulated depreciation	
At April 1, 2020	376.71
Depreciation charge for the year	81.21
At March 31, 2021	457.92
Depreciation charge for the year	81.21
At March 31, 2022	539.13
Carrying amount	
At March 31, 2021	324.87
At March 31, 2022	243.66

Note: Plant and equipment of the Company has been hypothecated against term loan obtained by a fellow subsidiary

5 DEPRECIATION AND AMORTISATION EXPENSE

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of Property, plant and equipment	81.21	81.21
Total depreciation charge	81.21	81.21

6 INVESTMENT IN SUBSIDIARY

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
At Cost		
Investment in Equity Shares		
Essar Bulk Terminal (Salaya) Limited 30,04,875 equity shares of ₹ 10 each fully paid *	320.04	320.04
Investment in Preference Shares		
Essar Bulk Terminal (Salaya) Limited 45,38,69,350 0.01% compulsorily convertible cumulative participating preference shares of Rs 10/- each fully paid *	45,310.51	45,310.51
Investment in Debentures		
Essar Bulk Terminal (Salaya) Limited 13,27,79,549 compulsorily convertible debentures of Rs 10/- each fully paid	13,277.95	13,277.95
Total	58,908.50	58,908.50

Notes forming part of the financial statements for the year ended March 31, 2022

Note: The cash flow projections of subsidiary of the Company include assumptions relating to future revenue from existing long term contract with related party (i.e. revenue from Essar Power Gujarat Limited (EPGL)), revenue from third parties, availability of necessary regulatory approvals, which are considered reasonable by the management. Also the future projections are subject to the subsidiary Company successfully settlement of its existing debt and withdrawal of various legal action by the lenders. Basis the above the computed recoverable amount of the investments is higher than its carrying amount as at March 31, 2022 and accordingly no impairment has been recognized.

*Of the above 15,32,487 number of equity shares and 23,20,11,813 number of compulsorily convertible cumulative participating preference shares have been pledged by the Company with the subsidiary's lender against loan availed by the subsidiary.

7 LOANS

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Inter corporate deposit given to related party (refer note 36)	1,666.73	-
	<u>1,666.73</u>	<u>-</u>

Note: Loan to related party are repayable within 25 months and carries interest @10% per annum. During the year ended March 31, 2022, the Company has given interest waiver at the request of the borrower.

8 OTHER NON-CURRENT ASSETS

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses on discounting of financial instruments	199.82	-
	<u>199.82</u>	<u>-</u>

9 TRADE RECEIVABLES

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	34.80	0.13
Total	<u>34.80</u>	<u>0.13</u>

Break-up of security details

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	34.80	0.13
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total trade receivables	<u>34.80</u>	<u>0.13</u>

Notes forming part of the financial statements for the year ended March 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
Not Due	-	0.13
Less than 6 months	34.80	-
6 months - 1 year	-	-
1-2 year	-	-
2- 3 years	-	-
More the 3 years	-	-
Total trade receivables	34.80	0.13

Note: Company does not have any disputed trade receivables, trade receivables which have significant increase in credit risk and doubtful/ credit impaired trade receivables

10 CASH AND CASH EQUIVALENTS

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks	82.65	6.57
Total	82.65	6.57

11 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Bank deposit held as margin money deposit (lien against bank guarantee)	35.00	35.00
	35.00	35.00

12 LOANS

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Inter corporate deposit given to related party (refer note 36)	35.00	1,886.00
	35.00	1,886.00

Note: Loan to related party are repayable within 25 months and carries interest @10% per annum. During the year ended March 31, 2022, the Company has given interest waiver at the request of the borrower.

13 OTHER FINANCIAL ASSETS

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued on fixed deposit	8.57	5.93
Other receivables from related party (refer note 36)	3,771.94	3.48
	3,780.51	9.41

Notes forming part of the financial statements for the year ended March 31, 2022

14 CURRENT TAX ASSETS

₹ in lakhs

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Tax deducted at source (Net of provision for tax INR 4.00 lakhs, previous year NIL)	11.63	11.91
Total	11.63	11.91

15 OTHER CURRENT ASSETS

₹ in lakhs

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Prepaid expenses	2.56	2.32
Prepaid expenses on discounting of financial instruments	184.45	-
GST receivables	8.64	27.91
Total	195.65	30.23

16 SHARE CAPITAL

₹ in lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Capital				
Equity shares of Rs. 10/- each	3,00,00,000	3,000.00	3,00,00,000	3,000.00
Compulsory Convertible Cumulative Participating Preference shares ("CCCPPS") of ` 10/- each	10,00,000	100.00	10,00,000	100.00
Total	3,10,00,000	3,100.00	3,10,00,000	3,100.00
Issued capital				
Equity shares of ` 10/- each	2,14,12,813	2,141.28	2,14,12,813	2,141.28
Total	2,14,12,813	2,141.28	2,14,12,813	2,141.28
Subscribed and fully paid up				
Equity shares of ` 10/- each	2,14,12,813	2,141.28	2,14,12,813	2,141.28
Total	2,14,12,813	2,141.28	2,14,12,813	2,141.28

Notes:

a) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount (₹ in lakhs)	Number	Amount (₹ in lakhs)
Equity Shares of Rs 10/- each				
At the beginning of the year	2,14,12,813	2,141.28	2,14,12,813	2,141.28
Add: Issue of shares during the year	-	-	-	-
Outstanding at the end of the year	2,14,12,813	2,141.28	2,14,12,813	2,141.28

Notes forming part of the financial statements for the year ended March 31, 2022

b) Terms/ Rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders along with CCCPPS holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts and preference share capital, in proportion to their shareholding.

c) Equity Shares held by holding / ultimate holding company and / or their subsidiaries / associates and details of the shareholding more than 5% shares in the Company and other shareholders

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% shares	Number of shares	% shares
Essar Ports & Terminals Limited	2,09,33,323	97.76%	1,88,29,154	87.93%
Ibrox Aviation and Trading Private Limited	-	-	2,104,169	9.83%
Others	479,490	2.23%	479,490	2.24%
Total	2,14,12,813	100.00%	2,14,12,813	100.00%

(d) Reconciliation of the number of CCCPPS at the beginning and at the end of the reporting period

Particulars	As at March 31, 2022	As at March 31, 2021
	Number	Number
0.01% CCCPPS of Rs. 10/- each		
At the beginning of the year	2	2
Add: Issue of shares during the year	-	-
Outstanding at the end of the year	2	2

(e) Terms of / rights attached to CCCPPS

- (i) Fixed dividend on preference shares : the CCCPPS holders have right to get fixed dividend of 0.01% p.a. from the date of allotment on cumulative basis.
- (ii) Participating Dividend : CCCPPS holders have the same rights to dividend as that of the equity share holders over and above the fixed dividend.
- (iii) Subject to the terms of the Shareholders Agreement and Applicable Law, the CCCPPS Holder shall have the right, at any time and from time to time after the expiry of 1 (one) year from the date of allotment of the CCCPPS. Each CCCPPS will be convertible into one equity share having face value of Rs. 10/- (Rupees Ten only) at a conversion ratio of 1:1.
- (iv) Upon conversion of the CCCPPS into equity shares, the holders of the CCCPPS shall be entitled to participate in the dividend on the equity shares, on a pari passu basis with the holders of all other equity shares.
- (v) The Equity Shares having a face value of Rs.10/- each allotted to the holder on conversion of the CCCPPS in terms hereof shall rank pari passu in all respects with the existing equity shares of the Company.
- (vi) CCCPPS holders shall have the affirmative voting rights as per the Articles of Association of the Company

(f) CCCPPS held by shareholders'

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% shares	Number of shares	% shares
Vistra ITCL (India) Limited	2	100.00%	2	100.00%
Total	2	100.00%	2	100.00%

Notes forming part of the financial statements for the year ended March 31, 2022

(g) Reconciliation of the number of Compulsorily Convertible Debentures ('CCD') and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount (Rs in lakh)	Number of shares	Amount (Rs in lakh)
0.01% CCD of ` 10/- each				
At the beginning of the year	2,03,77,904	2,037.79	2,03,77,904	2,037.79
Add: Issue of CCD during the year	-	-	-	-
Outstanding at the end of the year	2,03,77,904	2,037.79	2,03,77,904	2,037.79

h) Terms of / rights attached to CCD

- (i) The CCDs shall have face value of Rs.10 each;
- (ii) The holder(s) of the CCDs shall be entitled to receive coupon @0.01%;
- (iii) The CCDs shall be unsecured;
- (iv) The CCD holders shall have the option to convert one CCD into one equity share at any time after the expiry of three months from the date of allotment of the CCDs. The CCD are to be compulsorily converted after expiry of 120 months.
- (v) The Equity Shares having a face value of Rs.10/- each allotted to the holder on conversion of the CCDs in terms hereof shall rank pari passu in all respects with the then existing equity shares of the Company.

(i) Details of debentures held by holding company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% shares	Number of shares	% shares
i) CCD of ` 10/- each				
Essar Ports & Terminals Limited	2,03,77,904	100.00%	2,03,77,904	100.00%
Total	2,03,77,904	100.00%	2,03,77,904	100.00%

- (j) During 2016-17, the Company has issued 2,14,12,813 shares of Rs 10 each fully paid to the Shareholders of Essar Ports Limited for a consideration other than cash under the composite scheme of arrangement. The Company has not bought back any shares in the previous five years except equity shares cancelled during the year 2016-17.

(k) Shareholding of promoters are disclosed below:

(i) Equity Shares

Name of Promoters	Number of shares	% of total shares	% Change during the year
As at March 31, 2022			
Essar Ports & Terminals Limited	2,09,33,323	97.76%	9.83%
Ibrox Aviation and Trading Private Limited	-	-	-9.83%
Total	2,09,33,323	97.76%	

Notes forming part of the financial statements for the year ended March 31, 2022

Name of Promoters	Number of shares	% of total shares	% Change during the year
As at March 31, 2021			
Essar Ports & Terminals Limited	1,88,29,154	87.93%	-
Ibrox Aviation and Trading Private Limited	2,104,169	9.83%	-
Total	2,09,33,323	97.76%	

17 OTHER EQUITY

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Retained earnings		
Opening Balance of retained earnings	(3,141.14)	(3,469.40)
Adjustment of (Loss)/ Profit for the period	(166.57)	328.26
Closing balance of retained earnings	(3,307.71)	(3,141.14)
(b) Capital reserve on cancellation and fresh issue of equity share capital	26,169.28	26,169.28
(c) Equity Component of Compulsorily Convertible Cumulative Participating Preference shares#	0.00	0.00
(d) Equity Component of Compulsorily Convertible Debentures	2,037.79	2,037.79
(e) Securities Premium Reserve	21,735.07	21,735.07
Total	46,634.43	46,801.00

Amount is less than Rs 1000

18 BORROWINGS (NON CURRENT)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Inter corporate deposit from related party (refer note 36)	162.53	-
Foreign currency bonds (refer note 32)	7,924.76	-
Total	8,087.29	-

Note: Loan from related party are repayable within 25 months and carries interest @10% per annum. During the year ended March 31, 2022, the Company has received interest waiver from the lender.

Notes forming part of the financial statements for the year ended March 31, 2022

19 DEFERRED TAX LIABILITY/ (ASSETS)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of fixed assets	14.65	24.78
	14.65	24.78
Tax effect of items constituting deferred tax assets		
Unabsorbed depreciation and business loss	(14.65)	(15.87)
	(14.65)	(15.87)
Total	-	8.91

Note

The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding reversible deferred tax liability on the difference between the book balance and the written down value of fixed assets under income tax.

20 OTHER NON-CURRENT LIABILITIES

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred income on discounting of financial instruments	566.58	-
Total	566.58	-

21 BORROWINGS

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Foreign currency bonds (refer note 32)	-	8,123.33
Inter corporate deposit from related party (refer note 36)	2,985.00	2,985.00
Total	2,985.00	11,108.33

Note: Loan from related party are repayable within 25 months and carries interest @10% per annum. During the year ended March 31, 2022, the Company has received interest waiver from the lender.

22 TRADE PAYABLES

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Micro and small enterprise (refer note below)	-	-
(b) Others	3,020.92	12.99
Total	3,020.92	12.99

Notes forming part of the financial statements for the year ended March 31, 2022

Outstanding for the year ended March 31, 2022 and March 31, 2021 from the due date of payment

Particulars	As at March 31, 2022	As at March 31, 2021
Unbilled dues	11.70	11.66
Not Due	3,009.22	1.33
Less than 1 year	-	-
1-2 year	-	-
2- 3 years	-	-
More the 3 years	-	-
Total	3,020.92	12.99

Note: Company does not have any disputed trade payables to MSME & others.

There is no amount due to Micro, Small and Medium Enterprises as defined under “ The Micro, Small and Medium Enterprise Development Act, 2006”. The information has been determined to the extent such parties have been identified on the basis of information available with the Company.

23 OTHER FINANCIAL LIABILITIES (CURRENT)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Security deposit from related party (refer note 36)	463.00	463.00
(b) Due to related parties (refer note 36)	1,275.10	659.62
Total	1,738.10	1,122.62

24 OTHER CURRENT LIABILITIES

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Statutory dues	2.36	1.11
(b) Income received in advance	-	16.38
(c) Deferred income on discounting of financial instruments	17.99	-
Total	20.35	17.49

25 REVENUE FROM OPERATIONS

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fleet operating and chartering income (refer note 36)	360.00	316.50
Sale of goods	2,600.00	-
Total	2,960.00	316.50

Notes forming part of the financial statements for the year ended March 31, 2022

26 OTHER INCOME

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Foreign exchange gain	-	261.88
Interest income on Fixed deposit	2.93	2.75
Deferred Income on discounting of FCBs	232.96	-
Interest income on CCDs	1.33	1.33
Interest Income on Income tax refund	0.58	-
Total	237.80	265.96

27 OPERATING EXPENSES

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Insurance expenses	8.34	6.41
Management Sharing expenses	118.33	124.66
Purchase of goods	2,550.00	-
Total	2,676.67	131.07

28 OTHER EXPENSES

₹ in lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2019
Auditors remuneration (refer note 28.1)	13.00	12.00
Professional fees	5.38	7.26
Director sitting fees	7.20	7.20
Filing and other charges	3.53	4.23
Foreign exchange loss	354.20	-
Courier, printing and stationary	0.46	2.04
Traveling expenses	-	0.02
Total	383.77	32.75

28.1 AUDITORS REMUNERATION (EXCLUDING GST)

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Statutory audit fees	10.00	10.00
Other services	3.00	2.00
Total	13.00	12.00

Notes forming part of the financial statements for the year ended March 31, 2022

29 FINANCE COSTS

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest- others and bank charges	0.35	0.27
Finance charges on discounting of FCBs	227.28	0.00
Total	227.63	0.27

30 FINANCIAL INSTRUMENTS

1 Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.

The Company is subject to externally imposed capital requirements and is required to maintain certain financial covenants as specified in the loan agreements. The Company's board of directors reviews the capital structure on an annual basis. The financial tie up for the company are long term in nature as it is in infrastructure business. Therefore all new capital requirements are duly discussed by the board of directors. The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes borrowings less cash and cash equivalents and other bank balances.

1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows.

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Debt	11,072.29	11,108.33
Less: Cash and cash equivalents (refer note 10)	82.65	6.57
Less: Bank balance other than Cash and cash equivalent (refer note 11)	35.00	35.00
Net debt	10,954.64	11,066.76
Total equity (equity and other equity)	48,775.71	48,942.28
Net debt to equity ratio	0.22	0.23

Notes forming part of the financial statements for the year ended March 31, 2022

2 Categories of financial instruments

₹ in lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying amount	Fair values	Carrying amount	Fair values
Financial assets				
Measured at amortised cost				
Loans	1,701.73	1,701.73	1,886.00	1,886.00
Trade receivables	34.80	34.80	0.13	0.13
Other financial assets	3,780.51	3,780.51	9.41	9.41
Cash and cash equivalents	82.65	82.65	6.57	6.57
Bank balances other than above cash and cash equivalents	35.00	35.00	35.00	35.00
Financial assets measured at amortised cost	5,634.69	5,634.69	1,937.11	1,937.11
Financial liabilities				
Measured at amortised cost				
Borrowings	11,072.29	11,072.29	11,108.33	11,108.33
Other financial liabilities	1,738.10	1,738.10	1,122.62	1,122.62
Trade payables	3,020.92	3,020.92	12.99	12.99
Financial liabilities measured at amortised cost	15,831.31	15,831.31	12,243.94	12,243.94

The management assessed that the fair values of cash and cash equivalent, other financial assets, trade receivables, trade payables, borrowing and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

3 Financial risk management objectives

The Company's Corporate finance department monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identification and mapping controls against these risks, monitor the risk and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and Company's activities to provide reliable information to the management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company. The Company's finance function reports quarterly to the Company's Board of Directors that monitors risks and policies implemented to mitigate risk exposures. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

3.1 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters. Quarterly reports are submitted to Board of Directors on the unhedged foreign currency exposures.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Notes forming part of the financial statements for the year ended March 31, 2022

₹ in lakhs

Particulars	As at March 31, 2022				As at March 31, 2021			
	USD	INR	Others	Total	USD	INR	Others	Total
Financial assets								
Loans	-	1,701.73	-	1,701.73	-	1,886.00	-	1,886.00
Trade receivables	-	34.80	-	34.80	-	0.13	-	0.13
Other Financial Assets	-	3,780.51	-	3,780.51	-	9.41	-	9.41
Cash and cash equivalents	-	82.65	-	82.65	-	6.57	-	6.57
Bank balances other than above cash and cash equivalents	-	35.00	-	35.00	-	35.00	-	35.00
Total financial assets (A)	-	5,634.69	-	5,634.69	-	1,937.11	-	1,937.11
Financial liabilities								
Borrowings	7,924.76	3,147.53	-	11,072.29	8,123.33	2,985.00	-	11,108.33
Other financial liabilities	-	1,738.10	-	1,738.10	-	1,122.62	-	1,122.62
Trade Payables	-	3,020.92	-	3,020.92	-	12.99	-	12.99
Total financial liabilities (B)	7,924.76	7,906.55	-	15,831.31	8,123.33	4,120.61	-	12,243.94
Net financial liabilities (B)-(A)	7,924.76	2,271.86	-	10,196.62	8,123.33	2,183.51	-	10,306.85
Hedge for foreign currency risk	-	-	-	-	-	-	-	-
Net exposure of foreign currency risk	7,924.76	2,271.86	-	10,196.62	8,123.33	2,183.51	-	10,306.85
Sensitivity impact at 10% on statement of profit & loss	792.48	NA	-	792.48	812.33	NA	-	812.33

Foreign currency sensitivity analysis

The Company is mainly exposed to USD currency.

The above table details the Company's sensitivity to a 10% increase and decrease in the INR against relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency risk denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number above indicates an increase in profit/equity where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit/equity and the balances above would be negative.

3.2 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash and cash equivalents and other financial assets.

Trade receivables

Trade receivables consists of few customers. The operations of the customers are limited to single industry and geographical area. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue trade receivables.

Cash and bank balances

The credit risk on liquid funds and other bank deposits is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Notes forming part of the financial statements for the year ended March 31, 2022

Loans, deposits and advances

The Company's corporate treasury function manages the financial risks related to the business. The treasury function focuses on capital protection, liquidity and yield maximisation.

Loans, deposits and advances are extended to counterparties after assessing their financial capabilities. Counterparty credit limits are reviewed and approved by Board/Audit Committee of the Company. These limits are set to minimise the concentration of risks and therefore mitigates the financial loss through counterparty's potential failure to make payments.

Collateral held as security and other credit enhancements

The Company does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial asset

3.3 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the amount is derived from interest rate existing at the end of the reporting period.

₹ in lakhs

Particulars	As at March 31, 2022				As at March 31, 2021			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
Financial liabilities								
Long Term Borrowings (including current maturities)	2,985.00	8,087.29	-	11,072.29	11,108.33	-	-	11,108.33
Trade payables	3,020.92	-	-	3,020.92	12.99	-	-	12.99
Other financial liabilities	1,738.10	-	-	1,738.10	1,122.62	-	-	1,122.62
Total financial liabilities	7,744.02	8,087.29	-	15,831.31	12,243.94	-	-	12,243.94

31 EARNINGS PER SHARE

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic Earnings per share (in ₹)	(0.40)	0.79
Diluted Earnings per share (in ₹)	(0.40)	0.79

Notes forming part of the financial statements for the year ended March 31, 2022

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/(Loss) for the year attributable to owners of the Company (Rs in Lakhs)	(166.57)	328.26
Weighted average numbers of equity shares (No's)	2,14,12,813	2,14,12,813
Weighted average numbers of compulsorily convertible debentures (No's)*	20,377,904	20,377,904
Weighted average numbers of Compulsorily Convertible Cumulative Participating Preference shares (No's)*	2	2
Weighted average number of equity shares for the purposes of basic earnings per share	41,790,719	41,790,719
Earnings per share - Basic (in Rs)	(0.40)	0.79

* The compulsorily convertible debentures and Compulsorily Convertible Cumulative Participating Preference shares are to be converted mandatorily, there is no cash settlement option either with the Company or with the holder

32 FOREIGN CURRENCY BONDS (FCBs)

Pursuant to the Composite Scheme of Arrangement, the obligations relating to the foreign currency convertible bonds (FCCB's) of ₹ 7,204.29 lakhs (Equivalent of US\$ 11,111,111) (₹ 3,859.44 lakhs (US\$ 5,952,381) Series A Bond and ₹ 3,344.85 lakhs (US\$ 5,158,730) Series B Bond) attributable to the business acquired, out of FCCB's of Rs. 25,935.43 lakhs (equivalent of US\$ 39,999,988) issued by Essar Ports Limited have been transferred to the company.

Salient Terms of the FCCBs are as under:

- The Bonds bears interest rate of 5% per annum payable in arrears semi-annually.
- The Bonds were convertible at an initial conversion price of ₹ 91.70 per share with a fixed rate of exchange on conversion of ₹ 46.94 to USD 1.00. Subsequently bond holder has irrevocably and unconditionally waived, forfeited and relinquished all of its rights in respect of conversion of FCCBs into equity shares of the Company, resulting in FCCBs being non-convertible. The Bonds will be redeemed in U.S. Dollars on August 24, 2023 at par.

On initial recognition, equity element of the FCCBs attributable to the Company has been recognized under Reserves and Surplus as Equity component of compound financial instruments. On aforesaid waiver of conversion option by bond holder, the modification has been accounted as de-recognition of original liability and recognition of new liability. Further, the Company has received regulatory approval in earlier year and the instrument has become non convertible and accordingly the equity component of the instrument has been taken to retained earnings.

The Company has applied for waiver of interest payable to the bond holders upto the maturity date ie August 24, 2023

33 SEGMENT INFORMATION

As per Ind AS 108, Operating Segments, if a financial report contains both the consolidated and standalone financial statements of a holding company/parent that is within the scope of Ind AS as well as the parent's separate financial statements, segment information is required to be disclosed only in the consolidated financial statements.

Notes forming part of the financial statements for the year ended March 31, 2022

34 INCOME TAXES

The Company is subject to Indian Income Tax on a standalone basis. Entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. From previous fiscal year (ie financial year 2019-20), Company has opted for new tax regime as prescribed under section 115BAA of the Income Tax Act, 1961 and therefore, Company shall not be liable to pay MAT, even if book profits exceeds taxable profits.

Provision for tax is determined based on book profits prepared under generally accepted accounting principles and adjusted for, inter alia, the Company's assessment of allowable expenditure (as applicable), including exceptional items, set off of tax losses and unabsorbed depreciation. Statutory income tax is charged at 22% plus a Surcharge and Cess.

a) Income taxes

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Recognised in statement of profit and loss		
Current tax		
In respect of the current year	4.00	-
Deferred tax		
In respect of the current year	(8.91)	8.91
Total (A)	(8.91)	8.91
Recognised in other comprehensive income		
Deferred tax	-	-
Total (B)	-	-
Total (A + B)	(4.91)	8.91

A reconciliation of income tax expense applicable to profit / (loss) before tax at the statutory income tax rate to recognise income tax expense for the year indicated are as follows :

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/(Loss) before taxes	(171.48)	337.17
Enacted tax rate in India	25.17%	25.17%
Income tax at statutory tax rate	(43.16)	84.86
Effect of:		
Tax effect of non deductible expenses	146.35	20.44
Tax effect of non taxable income	(58.63)	(75.97)
Deferred tax not recognised on unabsorbed business loss and depreciation	(49.47)	(20.42)
Income taxes recognised in the statement of income	(4.91)	8.91

Notes forming part of the financial statements for the year ended March 31, 2022

Deferred tax assets and liabilities

Significant components of deferred tax liabilities / (assets) recognised in the financial statements are as follows :

₹ in lakhs

Deferred tax balances in relation to	As at April 01, 2021	Recognised / reversed during the year	As at March 31, 2022
Property, Plant and Equipment	24.78	(10.13)	14.65
Unabsorbed depreciation and business loss	(15.87)	1.22	(14.65)
Total	8.91	(8.91)	-

Components of deferred tax assets and liabilities

₹ in lakhs

Deferred tax balances in relation to	As at April 01, 2020	Recognised / reversed during the year	As at March 31, 2021
Property, Plant and Equipment	35.16	(10.38)	24.78
Unabsorbed depreciation and business loss	(35.16)	19.29	(15.87)
Total	-	8.91	8.91

35 RATIO ANALYSIS AND ITS ELEMENTS

Particulars	As at March 31, 2022	As at March 31, 2021	% change from March 31, 2021 to March 31, 2022
Current Ratio	0.54	0.16	233.13
Debt-Equity Ratio	0.23	0.23	0.02
Debt Service Coverage Ratio	0.05	0.04	22.10
Return on Equity Ratio	(0.00)	0.01	(150.66)
Inventory turnover ratio	NA	NA	-
Trade Receivables turnover ratio	169.51	37.14	356.43
Trade payables turnover ratio	1.78	13.07	(86.35)
Net capital turnover ratio	(0.43)	(0.03)	1,314.70
Net profit ratio	(0.06)	1.04	(105.43)
Return on Capital employed	0.00	0.01	(83.30)
Return on investment	0.00	0.01	(84.38)

Notes forming part of the financial statements for the year ended March 31, 2022

Elements of Ratio

Ratios	Numerator	Denominator	As at March 31, 2022		As at March 31, 2021	
			Numerator	Denominator	Numerator	Denominator
Current Ratio	Current Assets	Current Liability	4,175.24	7,764.37	1,979.25	12,261.43
Debt-Equity Ratio	Debt (Borrowing)	Total Equity	11,072.29	48,775.71	11,108.33	48,942.28
Debt Service Coverage Ratio	Profit before tax + Finance cost + Depreciation	Current Borrowings+ Interest on long term debt	137.36	2,985.00	418.63	11,108.33
Return on Equity Ratio	Profit/ (loss) for the year	Average Total Equity	(166.57)	48,859.00	328.25	48,778.15
Trade Receivables turnover ratio	Revenue from operation	Average trade receivable	2,960.00	17.46	316.50	8.52
Trade payables turnover ratio	Total Purchase*	Average trade payable	2,706.24	1,516.96	163.82	12.54
Net capital turnover ratio	Revenue from operation	Average Working capital = current assets- Current liabilities	2,960.00	(6,935.65)	316.50	(10,491.37)
Net profit ratio	Profit/ (loss) for the year	Revenue from operation	(166.57)	2,960.00	328.26	316.50
Return on Capital employed	Profit/ (loss) Before Tax + Finance cost	Total Equity + Debt (Borrowings) + Deferred tax liability	56.15	59,848.00	337.42	60,059.52
Return on investment	Profit/ (Loss) Before Tax + Finance cost	Total assets	56.15	65,193.95	337.42	61,212.62

* Net credit purchases comprising of operating expenses and other expenses excluding forex loss

Reasons for significant variance in above ratio

Particulars	% change from March 31, 2021 to March 31, 2022
Current Ratio	During the year, the Company has sold goods, payment for which yet to be received and shown as trade receivables. The same has lead to increase in current ratio
Return on Equity Ratio	During the year, the Company has incurred loss after tax due to unrealised foreign exchange loss on revaluation of Foreign Currency Bonds (FCBs). The same has lead to decrease in Return on Equity Ratio.
Trade payables turnover ratio	During the year, the Company has purchased goods, payment for which yet to be made. The same has lead to decrease in Trade payables turnover ratio
Trade Receivables turnover ratio	During the year, the Company has sold goods, payment for which yet to be received and shown as trade receivables. The same has lead to decrease in Trade Receivables turnover ratio
Net capital turnover ratio	During the year, due to sale of goods, the Company revenue from operations has been substantially increased. The same has lead to decrease in Net capital turnover ratio.
Return on investment	During the year, the Company has incurred loss after tax due to foreign exchange loss. The same has lead to decrease in Return on investment.

Notes forming part of the financial statements for the year ended March 31, 2022

Return on Capital employed	During the year, the Company has incurred loss after tax due to unrealised foreign exchange loss on revaluation of Foreign Currency Bonds (FCBs). The same has lead to decrease in Return on Capital employed.
Net profit ratio	During the year, the Company has incurred loss after tax due to unrealised foreign exchange loss on revaluation of Foreign Currency Bonds (FCBs). The same has lead to decrease in Net profit ratio.

36 RELATED PARTY RELATIONSHIP, TRANSACTIONS AND BALANCES.

a. Names of the related parties and description of relationship

Sr. No.	Nature of relationship	Name of Related Parties
1	Holding	Essar Global Fund Limited, Cayman Island, (ultimate holding company) Essar Ports Holdco Limited, Mauritius, (intermediate holding company) Essar Ports & Terminals Limited, Mauritius (immediate holding company)
2	Subsidiary	Essar Bulk Terminal (Salaya) Limited
3	Fellow Subsidiaries / other related parties	Essar Ports Limited Hazira Cargo Terminals Limited Paradeep Steel Company Limited Essar Bulk Terminal Limited Ibrox Aviation and Trading Private Limited Essar Paradip Terminals Limited Essar Steel Metal Trading Limited

b. Transactions with related parties

₹ in lakhs

Nature of transactions	Holding companies		Subsidiary / Other related parties		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Charter Hire income						
Essar Bulk Terminal Limited	-	-	360.00	316.50	360.00	316.50
Management sharing expenses						
Essar Ports Limited	-	-	118.33	124.66	118.33	124.66
Interest income on CCDs						
Essar Bulk Terminal (Salaya) Limited	-	-	1.33	1.33	1.33	1.33
Assignment of receivable from non-related to						
Essar Bulk Terminal (Salaya) Limited	-	-	3,768.00	-	3,768.00	-
Interest expenses on CCDs						
Essar Ports & Terminals Limited	0.20	0.20	-	-	0.20	0.20
Expenses incurred by others on behalf of the Company						
Essar Ports Limited	-	-	4.90	15.11	4.90	15.11
Essar Bulk Terminal Limited	-	-	-	3.75	-	3.75
Total			4.90	18.86	4.90	18.86

Notes forming part of the financial statements for the year ended March 31, 2022

Inter corporate deposit received						
Essar Bulk Terminal Paradip Limited	-	-	200.00	-	200.00	-
Essaar Ports Limited	-	-	-	1,985.00	-	1,985.00
Essar Bulk Terminal Limited	-	-	-	1,000.00	-	1,000.00
Total	-	-	200.00	2,985.00	200.00	2,985.00
Inter corporate deposit given						
Essar Bulk Terminal (Salaya) Limited	-	-	200.00	-	200.00	-
Essar Steel Metal Trading Limited	-	-	-	35.00	-	35.00
Total	-	-	200.00	35.00	200.00	35.00
Guarantee given on behalf of others						
Essar Bulk Terminal (Salaya) Limited	-	-	-	20,166.61	-	20,166.61

c. Balances with related parties

₹ in lakhs

Nature of balance	Holding companies		Other related parties		Total	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Advance income received						
Essar Bulk Terminal Limited	-	-	-	16.38	-	16.38
Security Deposit received						
Essar Bulk Terminal Limited	-	-	463.00	463.00	463.00	463.00
Inter corporate deposit given						
Essar Bulk Terminal (Salaya) Limited	-	-	2,051.00	1,851.00	2,051.00	1,851.00
Essar Steel Metal Trading Limited	-	-	35.00	35.00	35.00	35.00
Total	-	-	2,086.00	1,886.00	2,086.00	1,886.00
Less IND AS adjustments	-	-	(384.27)	-	(384.27)	-
Total	-	-	1,701.73	1,886.00	1,701.73	1,886.00
Inter corporate deposit received						
Essar Bulk Terminal Paradip Limited	-	-	200.00	-	200.00	-
Essar Ports Limited	-	-	1,985.00	1,985.00	1,985.00	-
Essar Bulk Terminal Limited	-	-	1,000.00	1,000.00	1,000.00	-
Total	-	-	3,185.00	2,985.00	2,985.00	1,390.00
Less IND AS Adjustment	-	-	(37.47)	-	-	-
Total	-	-	3,147.53	2,985.00	3,147.53	2,985.00
Trade receivables						
Essar Bulk Terminal Limited	-	-	34.80	-	34.80	-
Other receivables						
Essar Bulk Terminal (Salaya) Limited	-	-	-	0.73	-	0.73
Essar Steel Metal Trading Limited	-	-	700.00	2.65	700.00	2.65
Essar Ports Limited	-	-	574.41	655.17	574.41	655.17
Paradeep Steel Company Limited	-	-	-	0.32	-	0.32
Essar Ports & Terminals Limited	0.69	0.51	-	-	0.69	0.51
Essar Paradip Terminal Limited	-	-	-	0.23	-	0.23
Total	0.69	0.51	1,274.41	659.10	1,275.10	659.61
Guarantee given on behalf of others						
Essar Bulk Terminal (Salaya) Limited	-	-	20,201.61	20,201.61	20,201.61	20,201.61

Notes forming part of the financial statements for the year ended March 31, 2022

37 CONTINGENT LIABILITIES

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
On account of disputed demand of Income tax matters	3.74	3.74
Guarantees given by the company to custom authorities on behalf of subsidiary	35.00	35.00
Guarantees given to the lenders on behalf of subsidiary	20,166.61	20,166.61

38 DISCLOSURE PURSUANT TO IND AS 27 'SEPARATE FINANCIAL STATEMENT' FOR INVESTMENT IN EQUITY INSTRUMENTS OF SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES:

₹ in lakhs

Name of Entity	Proportion of ownership/ Voting interest	
	As at March 31, 2022	As at March 31, 2021
Subsidiary		
Essar Bulk Terminal (Salaya) Limited	79.90%	79.90%

39 As on March 31, 2022, the Company's current liabilities exceed its current assets by Rs 3,589.13 lakhs. The Management has addressed this deficit by obtaining financial support from its parent entity. Accordingly the financial statements have been prepared on going concern basis

40 The following Schedule III amendments is not applicable on the Company:

- (i) The Company is not holding any benami property under the "Benami Transactions (Prohibition) Act, 1988;
- (ii) The Company do not have any transactions/balances with companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956;
- (iii) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries;
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year;
- (v) The Company does not hold any immovable property whose lease deed is not in the name of Company;
- (vi) The Company has not revalued any of its property, plant and equipment or intangible assets.
- (vii) The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (viii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

Notes forming part of the financial statements for the year ended March 31, 2022

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

41 The Figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

In terms of our report attached

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
Mumbai, August 30, 2022

For and on behalf of the Board of Directors of Salaya Bulk Terminals Limited

Amit Bapna
Director
DIN: 00008443

Ankush Goyal
Chief Financial Officer

Mumbai, August 30, 2022

Kamla Kant Sinha
Director
DIN- 00009113

Bhawani Shankar Thanvi
Company Secretary
Membership No.: A50535

Sant Khare
Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

To the members of Salaya Bulk Terminals Limited Report on the Audit of the Consolidated Financial Statements Qualified Opinion

We have audited the accompanying consolidated financial statements of **Salaya Bulk Terminals Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group, as at March 31, 2022, consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

The management has assessed that the property, plant and equipment having carrying amount of Rs. 1,77,634.67 lakhs as at March 31, 2022, has not suffered any impairment loss, basis the future projections of revenue and cashflows of the subsidiary Company which are highly dependent on successful settlement of its existing debt obligations, restarting of the operations of one of its anchor customer and withdrawal of various legal action by the lenders. Inclusion of the cashflow associated with these events in estimate of the future cashflow constitutes material departure from the provisions of Indian Accounting Standard (Ind AS) 36: Impairment of Assets. Any impact of this on the financial statement is presently unascertainable. (Refer note 4(c) of the financial statements).

This matter was also qualified in our report on the consolidated Ind AS financial statements for the year ended March 31, 2021.

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountant of India ("ICAI") and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these

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

Material Uncertainty Related to Going Concern

We draw attention to Note no. Note 44 read with Note 20(d) and Note 29 to the consolidated financial statements, which states that the subsidiary company has incurred loss of Rs. 27,468.32 lakhs (2021: Rs. 24,064.16 lakhs) during the year ended March 31, 2022, net worth of the subsidiary company has eroded to Rs. (12,793.77) lakhs as on March 31, 2022 (March 31, 2021: Rs. 14,674.55 lakhs) and all of its borrowing from banks and financial institution became payable on demand. Further, as mentioned in the above referred notes and informed to us, the management is working towards the various solutions to improve its liquidity position and is at the advance stage of settlement of its debt. These situations indicate existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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. As described in the Basis for Qualified Opinion section above, any impact on the consolidated financial statements of the material departure from the provisions of Ind AS 36 is presently unascertainable. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the

Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards of Auditing ("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 consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and, except for the possible effect of the matter described in the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. Except for the possible effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement

of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d. Except for the effects of the matter described in Basis for Qualified Opinion section above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
- e. The matter described in Basis of Qualified Opinion and Material Uncertainty Related to Going Concern section of our report, in our opinion, may have an adverse effect on the functioning of the Group.
- f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion above.
- h. With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 35 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.
 - iv. 1) The respective Managements of the Holding Company and its subsidiary which are companies incorporated in India have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or subsidiary to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or

otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or subsidiary (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (2) The respective Managements of the Holding Company and its subsidiary which are companies incorporated in India have represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company or subsidiary from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or subsidiary shall, 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.
- (3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

- v. The Holding Company and subsidiary companies that are Indian companies under the Act have neither declared nor paid any dividend during the year.
2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.
3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and subsidiary included in the consolidated financial statements of the Company to which reporting under CARO is applicable, we report that there are no qualifications/adverse remarks except for following:

Name of the Company	CIN	Type of Company	Clause number of the CARO Report which is qualified or Adverse
Essar Bulk Terminal (Salaya) Limited	U63032GJ2007PLC093255	Associate	Clause ix(a)

For **MSKA & Associates**
Chartered Accountants
 ICAI Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
 Membership No.: 122071
 UDIN: 22122071AQIEHY8475

Place: Mumbai
 Date: August 30, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SALAYA BULK TERMINALS LIMITED For the year ended March 31, 2022

Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated 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 Holding Company has 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
UDIN: 22122071AQIEHY8475

Place: Mumbai
Date: August 30, 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SALAYA BULK TERMINALS LIMITED For the year ended March 31, 2022

[Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Salaya Bulk Terminals Limited on the consolidated Financial Statements for the year ended March 31, 2022]

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

Opinion

In conjunction with our audit of the consolidated financial statements of the **Salaya Bulk Terminals Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to consolidated financial statements criteria established by the respective companies 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 ("the ICAI").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the

Holding company, its subsidiary company, which are companies incorporated in India, 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") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 consolidated 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 with reference to consolidated financial statements of the Holding company, its subsidiary company, which are companies incorporated in India.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls

with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.: 105047W

Bhavik Lalit Shah

Partner

Membership No.: 122071

UDIN: 22122071AQIEHY8475

Place: Mumbai

Date: August 30, 2022

Consolidated Balance Sheet as at March 31, 2022

₹ in lakhs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,77,878.30	1,86,907.29
(b) Right-of-use assets	5	1,632.16	2,197.26
(c) Capital work-in-progress	6	557.71	212.57
(d) Non-current tax assets	8	2,525.98	2,496.83
(e) Other non-current assets	9	-	-
Total non-current assets		1,82,594.15	1,91,813.95
Current assets			
(a) Inventories	10	455.99	667.52
(b) Financial assets			
(i) Trade receivables	11	528.47	2,352.62
(ii) Cash and cash equivalents	12	490.75	256.13
(iii) Bank balances other than cash and cash equivalents	13	46.81	46.81
(iv) Loans	14	35.00	35.00
(v) Other financial assets	15	728.47	725.83
(c) Current tax assets	16	11.63	11.91
(d) Other current assets	17	1,867.20	3,010.32
Total current assets		4,164.32	7,106.13
Total assets		186,758.47	198,920.09
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	18	2,141.28	2,141.28
(b) Other equity	19	(22,495.97)	(382.96)
Equity attributable to owners of the Company		(20,354.69)	1,758.32
Non-controlling interests		(2,571.88)	2,949.99
Total equity		(22,926.57)	4,708.31
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	14,472.57	-
(ii) Lease liabilities on Right-of-use assets	21	1,241.19	1,800.84
(b) Deferred tax liabilities (net)	22	-	8.91
(c) Other non-current liabilities	23	872.89	-
Total non-current liabilities		16,586.65	1,809.75
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	1,20,925.99	13,6,686.00
(ii) Trade payables	24	6,541.16	6,205.45
(iii) Lease liabilities on Right-of-use assets	25	559.66	501.62
(iv) Other financial liabilities	26	64,201.26	48,719.83
(b) Provisions	27	119.51	118.70
(c) Other current liabilities	28	750.81	170.43
Total current liabilities		1,93,098.39	1,92,402.03
Total liabilities		2,09,685.04	1,94,211.78
Total equity and liabilities		1,86,758.47	1,98,920.09
Summary of significant accounting policies	3		

The accompanying notes are integral part of the consolidated financial statements.

In terms of our report attached

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
Mumbai, August 30, 2022

For and on behalf of the Board of Directors of Salaya Bulk Terminals Limited

Amit Bapna
Director
DIN: 00008443

Ankush Goyal
Chief Financial Officer

Mumbai, August 30, 2022

Kamla Kant Sinha
Director
DIN- 00009113

Bhawani Shankar Thanvi
Company Secretary
Membership No.: A50535

Sant Khare
Chief Executive Officer

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

₹ in lakhs

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I Revenue from operations	29	15,226.14	17,415.11
II Other income	30	1,320.51	764.80
III Total Income (I + II)		16,546.65	18,179.91
IV Expenses			
(a) Operating expenses	31	11,579.29	11,409.01
(b) Employee benefit expenses	32	980.32	1,001.83
(c) Other expenses	33	839.24	640.28
(d) Depreciation and amortisation expense	7	9,608.65	10,167.89
(e) Finance costs	34	20,419.10	18,457.17
Total expenses (IV)		43,426.60	41,676.18
V Loss before tax and exceptional items (III-IV)		(26,879.95)	(23,496.27)
VI Exceptional items			
(a) Provision for stock loss/ demurrage expenses (refer note 29)		772.17	236.45
VII Total exceptional items		772.17	236.45
VIII Loss before tax (V-VII)		(27,652.12)	(23,732.72)
IX Tax expense/(benefit):			
(a) Current tax		4.00	-
(b) Deferred tax	41	(8.91)	8.91
		(4.91)	8.91
X Loss for the year (VIII-IX)		(27,647.21)	(23,741.63)
XI Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent period			
(i) Remeasurement of the defined benefit plans		12.33	5.72
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income		12.33	5.72
XII Total comprehensive loss for the year (X+XI)		(27,634.88)	(23,735.91)
XIII Loss for the year attributable to:			
(a) Owners of the Company		(22,122.86)	(18,902.94)
(b) Non-controlling interests		(5,524.35)	(4,838.69)
XIV Other comprehensive income for the year attributable to:			
(a) Owners of the Company		9.85	4.57
(b) Non-controlling interests		2.48	1.15
XV Total comprehensive income for the year attributable to:			
(a) Owners of the Company		(22,113.01)	(18,898.37)
(b) Non-controlling interests		(5,521.87)	(4,837.54)
XVI Earnings per equity share (face value of Rs.10 each)			
Basic and diluted (in Rs)	37	(52.94)	(45.23)
Summary of significant accounting policies	3		

The accompanying notes are integral part of the consolidated financial statements.

In terms of our report attached

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
Mumbai, August 30, 2022

For and on behalf of the Board of Directors of Salaya Bulk Terminals Limited

Amit Bapna
Director
DIN: 00008443

Ankush Goyal
Chief Financial Officer

Mumbai, August 30, 2022

Kamla Kant Sinha
Director
DIN- 00009113

Bhawani Shankar Thanvi
Company Secretary
Membership No.: A50535

Sant Khare
Chief Executive Officer

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

A. Equity share capital

₹ in lakhs

Particulars	Amount
Balance as at April 01, 2020	2,141.28
Changes in Equity Share Capital during the year	-
Balance As at March 31, 2021	2,141.28
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2022	2,141.28

B. Other equity

₹ in lakhs

Particulars	Capital Reserve	Retained earnings	Other comprehensive income	Equity component of Compulsorily Convertible Debentures	Equity Component of Compulsorily Convertible Cumulative Participating Preference shares#	Securities Premium	Attributable to Minority Interest	Attributable to owners of the Group	Total
			Remeasurement of defined benefit plan						
Balance as at April 01, 2020	26,169.28	(31,386.28)	(40.44)	2,037.78	0.00	21,735.07	7,787.53	18,515.41	26,302.94
Loss for the year	-	(18,902.94)	-	-	-	-	(4,838.69)	(18,902.94)	(23,741.63)
Other comprehensive income for the year	-	-	4.57	-	-	-	1.15	4.57	5.72
Total comprehensive loss for the year	-	(18,902.94)	4.57	-	-	-	(4,837.54)	(18,898.37)	(23,735.91)
Balance As at March 31, 2021	26,169.28	(50,289.22)	(35.87)	2,037.78	0.00	21,735.07	2,949.99	(382.96)	2,567.03
Loss for the year	-	(22,122.86)	-	-	-	-	(5,524.35)	(22,122.86)	(27,647.21)
Other comprehensive income for the year	-	-	9.85	-	-	-	2.48	9.85	12.33
Total comprehensive income/ (loss) for the year	-	(22,122.86)	9.85	-	-	-	(5,521.87)	(22,113.01)	(27,634.88)
Balance as at March 31, 2022	26,169.28	(72,412.08)	(26.02)	2,037.78	0.00	21,735.07	(2,571.88)	(22,495.97)	(25,067.85)

The accompanying notes are integral part of the consolidated financial statements.

Amount is less than Rs. 1,000

In terms of our report attached

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
Mumbai, August 30, 2022

For and on behalf of the Board of Directors of Salaya Bulk Terminals Limited

Amit Bapna
Director
DIN: 00008443

Ankush Goyal
Chief Financial Officer

Mumbai, August 30, 2022

Kamla Kant Sinha
Director
DIN- 00009113

Bhawani Shankar Thanvi
Company Secretary
Membership No.: A50535

Sant Khare
Chief Executive Officer

Consolidated Statement of Cash Flow for the year ended March 31, 2022

₹ in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A Cash flow from operating activities		
Loss before tax	(27,652.12)	(23,732.72)
Adjustments for:		
Depreciation and amortisation expense	9,608.65	10,167.90
Unrealised foreign exchange (profit)/ loss	340.00	(261.88)
Finance Costs	20,419.10	18,458.50
Interest income on fixed deposits and income tax refund	(3.73)	(3.49)
Lease rent concession	-	(102.90)
Finance income on recognition of financial liabilities at amortised cost	(761.18)	(301.81)
Provision for stock loss/ demurrage expenses	772.17	236.45
Operating profit before working capital changes	2,722.89	4,460.05
Movements in Working Capital:		
Loans and advances and other assets	(1,393.67)	4,749.66
Trade payable, other liabilities and provisions	4,478.47	(2,681.10)
Cash generated from operating activities	5,807.69	6,528.61
Income Tax paid (net)	(32.88)	(457.99)
Net cash generated from operating activities (A)	5,774.81	6,070.62
B Cash flow from investing activities		
Purchase of property, plant and equipment (Incl. capital work in progress)	(359.71)	(2,510.51)
Interest received on fixed deposit and income tax refund	3.73	(0.59)
Net cash used in investing activities (B)	(355.98)	(2,511.10)
C Cash flow from financing activities		
Proceeds from unsecured loans	592.67	2,985.00
Unsecured loan granted	-	(35.00)
Refund of unsecured loans	-	(1,390.00)
Repayment of lease liability	(730.00)	(1,217.79)
Repayment of Secured loans	(1,265.44)	(2,089.31)
Finance costs paid	(3,781.44)	(1,890.58)
Net cash used in investing activities (C)	(5,184.21)	(3,637.68)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	234.62	(78.16)
Cash and cash equivalents at the beginning of the year	256.13	334.29
Closing cash and cash equivalents	490.75	256.13

Consolidated Statement of Cash Flow for the year ended March 31, 2022

Notes:

1. Reconciliation between closing cash and cash equivalents and cash and bank balances

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents as per cash flow statement	490.75	256.13
Add : Margin money deposits not considered as cash and cash equivalents as per IND AS-7	46.81	46.81
Cash and bank balances (refer note no 12 & 13)	537.56	302.94

2. Changes arising in financial liabilities due to financing activities

₹ in lakhs

Particulars	As at April 01, 2021	Cash movement	Non cash movement	As at March 31, 2022
Non Current Borrowing (Including current maturities and interest accrued)	1,81,337.08	(4,454.21)	18,312.56	1,95,195.43
Total	1,81,337.08	(4,454.21)	18,312.56	1,95,195.43

Particulars	As at April 01, 2020	Cash movement	Non cash movement	As at March 31, 2021
Non Current Borrowing (Including current maturities and interest accrued)	1,65,832.35	(2,419.89)	17,924.62	1,81,337.08
Total	1,65,832.35	(2,419.89)	17,924.62	1,81,337.07

- 3 The Statement of cash flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of cash flows notified under Section 133 of The Companies Act, 2013, read together with Companies (Indian Accounting Standard) Rules 2015 (as amended).

The accompanying notes are integral part of the consolidated financial statements.

In terms of our report attached

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
Mumbai, August 30, 2022

For and on behalf of the Board of Directors of Salaya Bulk Terminals Limited

Amit Bapna
Director
DIN: 00008443

Ankush Goyal
Chief Financial Officer

Mumbai, August 30, 2022

Kamla Kant Sinha
Director
DIN- 00009113

Bhawani Shankar Thanvi
Company Secretary
Membership No.: A50535

Sant Khare
Chief Executive Officer

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

1. Corporate Information

Salaya Bulk Terminals Limited ("the Company") is a Public Limited Company incorporated under the Companies Act, 1956 and its registered office is located at Salaya Administrative Building, 44 KM, P. O. box 7, Taluka Khambaliya, District Dev Bhoomi Dwarka, Jamnagar, Gujarat. Principal place of business of the Group is located at Salaya, Gujarat.

The Company along with its subsidiary constitute "the Group". Refer note 43 to the consolidated financial statements for the percentage holding, nature of relationship and the principal business activities of the subsidiaries of the Group.

The consolidated financial statements were approved for issue by the board of directors on August 30, 2022.

The consolidated financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakh, except where otherwise indicated.

2. Basis of preparation and presentation

A. The Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 and accounting principles generally accepted in India.

B. The consolidated financial statements have been prepared on the following basis:

The financial statements of the subsidiaries used in this consolidation are drawn upto the same reporting date of the Group.

The financial statements of the Group and its subsidiaries have been combined on a line by line basis adding together the book values of like items of assets, liabilities, income and expenses, after duly eliminating intra-group balances and intra group transactions and resulting unrealized profits or losses, if any.

- a) Investment in associate is accounted using the equity method and is initially recognized at cost.
- b) The excess of cost of the Group of its investment in a subsidiary over its share of the equity of subsidiary at the date on which the investment is made, is recognized as "Goodwill" in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary as at the date of investment is in excess of the cost of investment of the Group, it is recognized as "Capital Reserve" and shown under the head Reserves and Surplus in the consolidated financial statements.
- c) Revenue items in case of foreign subsidiaries are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on

consolidation is recognized in the foreign currency translation reserve.

- d) The consolidated financial statements of the Group, its subsidiaries and associate Group have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
 - e) The Consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and property, plant and equipment measured at fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.
- C. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurement that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition for financial reporting purposes, fair value measurement are categorized into level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly, and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. Summary of significant accounting policies:

A. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets.

Capital work in progress comprise of those costs that relate directly to specific assets and those that are attributable to the construction or project activity in general and can be allocated to

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

specific assets up to the date the assets are put to their intended use. At the point when an asset is operating at management's intended use, the capital work in progress is transferred to the appropriate category of property, plant and equipment and depreciation commences. Major inspections and overhauls are identified and accounted for as an asset if that component is used over more than one reporting period.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of assets	Years
Plant and equipment	10 - 30
Berth including navigational channel	20 (over the concession period)
Offshore approach Bund	20 (over the concession period)
Furniture and fixtures	10
Office equipment	3 - 6

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Freehold land is not depreciated.

The group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

B. Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the assets can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any.

Intangible assets are amortised uniformly over the best estimate of their useful lives.

C. Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the carrying amounts of tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit

to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

D. Leases

(a) The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

Lease payments included in the measurement of the lease liability comprise:

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the balance sheet.

The Group applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy. Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

As a practical expedient, IND AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(b) The Group as lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

E. Revenue

The Group earns revenue primarily from dispatch and handling of cargo

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

Ind AS 115 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are as follows:

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contracts;
- Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group has adopted Ind AS 115 using the cumulative effect method. In this method this standard is applied to contracts that are not completed on as at the date of initial application (i.e. April 01, 2018) and the comparative information in the statement of profit and loss is not restated.

There is no impact on the financial statement of the Group on initial application of this standard.

Revenue is recognised upon rendering of promised services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. In case of handling of cargo, revenue is recognized when cargo is handled from the port.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues. The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Group does not have any significant impact on revenue due to application of this standard.

Use of significant judgements in revenue recognition :

- The Group's contracts with customers could include promises to transfer multiple services to a customer. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract.

Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such service, transfer of significant risks and rewards to the customer etc..

The Group does not have any unsatisfied performance obligation as at the year end

Interest income

Interest income is recognised on a time proportion basis following effective interest rate method.

Dividend income

Revenue is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

F. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalisation of the borrowing costs is suspended during extended periods in which it suspends active development of a qualifying asset.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

G. Employee benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of profit and loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

H. Foreign currencies

The functional currency of the Group is determined on the basis of the primary economic environment in which it operates. The functional currency of the Group is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks;

I. Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial asset primarily comprise of investments, loans and advances, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings, trade and other payables.

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

I. Financial assets

a) Initial recognition and measurement

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 Group commits to purchase or sell the asset.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

b) Classification of financial assets

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

1. Financial assets at amortised cost
2. Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognized in the statement of profit and loss (i.e. fair value through profit and loss) (FVTPL), or recognized in other comprehensive income (i.e. fair value through other comprehensive income) (FVTOCI)

Financial asset at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Financial assets at fair value

Debt instruments

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group has made an irrevocable election to designate an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. Dividends on these investments are recognized in the Statement of Profit and Loss.

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the Statement of Profit and Loss and is included in the 'Other income' line item.

d) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

e) Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the

contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

II. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

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

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other Income' line item in the Statement of Profit and Loss.

Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) that are not held-for-trading and are not designated as at FVTPL are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit or Loss.

d) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through Statement of profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the Statement of profit or loss, unless designated as effective hedging instruments.

e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

J. Compound financial instrument

Compound financial instruments issued by the Group comprise of compulsory convertible cumulative participating preference shares and foreign currency convertible bonds. Compound financial instruments are separated into liability and equity components based on the terms of the contract.

The liability component of compound financial instrument is initially recognised at the fair value of the similar liability without an equity conversion option. The equity component is initially recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Subsequent to initial recognition, the financial liability is measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The equity component of the compound financial instrument is not measured subsequently.

Transaction costs are apportioned between the liability and equity components of the compound financial instrument based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

K. Taxation

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

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax

liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax during the specified period i.e., the period for which MAT credit is allowed to be carried forward as per tax laws. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal income tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the period

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

L. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past event, and it is probable that an outflow of resources embodying economic benefits, that can be reliably estimated, will be required to settle such an obligation. If the effect of the

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are disclosed where inflow of economic benefits is probable.

M. Business combinations under common control

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method.

Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the consolidated financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

3.1 Key sources of estimation uncertainty and critical accounting judgments

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions about the reported amounts of assets, liabilities, income and expenses that are not readily apparent from other sources. Such judgments, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments and estimations that have been made by the management in the process of applying the Group's accounting policies and that have the most significant effect on the amount recognised in the consolidated financial statements and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Going Concern

The management at each close makes an assessment of the Group's ability to continue as a going concern. In making such evaluation, it considers, inter alia, the quantum and timing of its cash flows, in particular collection of all its recoverable amount and settlement of its obligations to pay creditors and lenders on due dates. The accounting policy choices in preparation and presentation of the consolidated financial statements is based on the Group's assessment that the Group will continue as a going concern in the foreseeable future.

ii) Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the Management.

iii) Impairment of non-financial assets

The management performs annual impairment tests on cash generating units and capital work-in-progress for which there are indicators that the carrying amount might be higher than the recoverable amount. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset.

iv) Income Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

v) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 40

vi) Recoverability of financial assets

Assessment of recoverability of trade receivables require significant judgment. Factors considered include the credit rating, assessment of intention and ability of the counter party to discharge the liability, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment. See Note 11 for further disclosures on impairment of trade receivables.

vii) Fair value measurement of financial instruments

When the fair values of financial assets or financial liabilities recorded or disclosed in the consolidated financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible,

but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 36 for further disclosures.

3.2 Recent accounting pronouncement

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022.

- Proceeds before intended use of property, plant and equipment- Ind AS 16, Property, Plant and Equipment
- Onerous Contracts – Cost of fulfilling a contract- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets
- References to the conceptual framework- Ind AS 103, Business combinations
- Fees included in the 10% test for derecognition of financial liabilities- Ind AS 109, Financial Instruments

The Group is assessing the impact of these changes and will accordingly incorporate the same for the financial statements for the year ended March 31, 2023.

There are no other standards, changes in standards and interpretations that are not in force up to reporting period that the Group expects to have a material impact arising from its application in its financial statements.

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

		(Rs. in lakhs)									
Particulars		Freehold land	Furniture and fixtures	Office equipment	Berth (incl Navigational Channel)	Offshore Approach Bund	Plant & Machinery (including stock yard)	Coal Stock Yard	Concrete (RCC) flooring	Road	Total
Cost											
As at April 01, 2020		24.51	32.88	42.55	76,087.86	31,097.72	102,110.89	-	-	-	209,396.41
Additions		-	0.36	9.73	1,225.56	-	-	3,444.77	505.30	167.77	5,353.49
As at March 31, 2021		24.51	33.24	52.28	77,313.42	31,097.72	1,02,110.89	3,444.77	505.30	167.77	2,14,749.90
Additions		-	-	14.57	-	-	-	-	-	-	14.57
As at March 31, 2022		24.51	33.24	66.85	77,313.42	31,097.72	1,02,110.89	3,444.77	505.30	167.77	2,14,764.47
Accumulated depreciation and impairment											
As at April 01, 2020		-	20.92	37.80	7,925.81	3,196.88	7,608.43	-	-	-	1,8,789.84
Depreciation charge for the year		-	4.20	3.74	3,993.33	1,554.89	3,458.37	17.22	12.63	8.39	9,052.77
As at March 31, 2022		-	25.12	41.54	11,919.14	4,751.77	11,066.80	17.22	12.63	8.39	27,842.61
Depreciation charge for the year		-	4.08	7.13	3,865.67	1,554.89	3,458.81	68.90	50.53	33.55	9,043.56
As at March 31, 2022		-	29.20	48.67	15,784.81	6,306.66	14,525.61	86.12	63.16	41.94	36,886.17
Net Carrying amount											
As at March 31, 2021		24.51	8.12	10.75	65,394.28	26,345.95	91,044.09	3,427.55	492.67	159.38	1,86,907.29
As at March 31, 2022		24.51	4.04	18.18	61,528.61	24,791.06	87,585.28	3,358.65	442.14	125.83	1,77,878.30

Notes

- (a) The Group has completed its export stockyard operation facilities and capitalised Rs 3,168.67 lakhs on December 01, 2018. The Group has also strengthened its Bund and spent Rs 1,234.72 lakhs which were capitalised on November 01, 2018.
- (b) The Group has completed its coal stockyard operation facilities and capitalised Rs 19,745.38 lakhs on October 01, 2017. The Group has also completed the existing berth, jetty and conveyor belt etc., amounting Rs 184,364.84 lakhs which were capitalised on March 01, 2018.
- (c) The management of the subsidiary company has assessed the recoverable amount of Property Plant and Equipment (PP&E) on the basis of its value in use in terms of Ind AS 36: Impairment of Assets by estimating the future cash flows over the estimated useful life of the assets. The cash flow projections include assumptions relating to future revenue from existing long term contract with related party (i.e. revenue from Essar Power Gujarat Limited (EPGL), refer note 29 of Financial Statements), revenue from third parties, availability of necessary regulatory approvals, which are considered reasonable by the management. Also the future projections are subject to the Subsidiary Company successfully settlement of its existing debt and withdrawal of various legal action by the lenders (Refer note 20 of Financial Statements). Basis the above the computed recoverable amount of the assets of the Subsidiary Company is higher than its carrying amount as at March 31, 2022 and accordingly no impairment has been recognized.
- The operation of EPGL, a related party, has temporarily suspended due to abnormal increase in international coal prices. Consequently, EPGL is unable to supply power under its power purchase agreement entered in to with Gujarat Urja Vikas Nigam Limited (GUVNL). EPGL has executed supplementary agreement with GUVNL which allow pass through of coal prices, capped up to USD 90 per tonne with effect from November 2021, however the coal prices in international market continue to surge. Accordingly, EPGL has not resumed its operations yet. Considering this, the Subsidiary Company shall continue deferred invoicing and revenue recognition of take or pay arrangement under Cargo Handling Agreement (CHA) with EPGL and continue to re-assess the recoverability of the receivables from EPGL. The Subsidiary Company has taken provision for Expected Credit Loss (ECL) of Rs 772.16 lakhs and Rs 304.45 lakhs for the year ended March 2022 and 2021, respectively. Trade receivable of EPGL net of ECL provision as at March 31, 2022 is Rs. NIL (as at March 31, 2021 Rs 772.16 lakhs).
- (d) Plant, equipment and berth and jetty including navigational channel, with total carrying amount value as on March 31, 2022 amounting to Rs. 2,13,857.08 lakhs (as on March 31, 2021 Rs. 2,13,857.08 lakhs), constructed over water front allocated by Gujarat Maritime Board (GMB) is used by the Group under concessional agreement with GMB.
- (e) All property plant and equipment have been hypothecated to secured borrowings of the Group.

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

5 Right-of-Use Assets (ROU assets)

(Rs in lakhs)

Particulars	Category of ROU assets		
	Floating Crane	Tugs	Total
Balance as at April 01, 2020	330.20	2,982.18	3,312.38
Addition during the year	-	-	-
Depreciation	330.20	784.92	1,115.12
Balance as at March 31, 2022	-	2,197.26	2,197.26
Addition during the year	-	-	-
Depreciation	-	565.10	565.10
Balance as at March 31, 2022	-	1,632.16	1,632.16

6 Capital work in progress

(Rs. In Lakhs)

Particulars	As at March 31, 2021	Addition during the year	Capitalised During the year	As at March 31, 2022
Capital work-in-progress	212.57	345.16	-	557.71
Total	212.57	345.16	-	557.71

In current year, Group has incurred expenses relating extension of stock yard facilities and to construction of other infrastructure facilities

Capital work-in-progress ageing schedule as at March 31, 2022 is as follows:

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in Progress	345.16	75.84	136.71	-	557.71
	345.16	75.84	136.71	-	557.71

Capital work-in-progress ageing schedule as at March 31, 2021 is as follows:

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in Progress	75.84	136.72	-	-	212.56
	75.84	136.72	-	-	212.56

7 Depreciation and amortisation expense

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of Property, plant and equipment	9,043.56	9,052.77
Depreciation on ROU Assets	565.10	1,115.12
Total	9,608.66	10,167.89

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

8 Non current tax assets

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance tax and TDS receivables*	965.09	935.94
Income Tax (deposited in CIT appeals)	1,560.89	1,560.89
Total	2,525.98	2,496.83

*Advance tax is net of provision of Rs. 107.36 lakhs (as at March 31, 2021 Rs.107.36 Lakhs)

9 Other non-current assets

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered doubtful		
Capital advances		
- to related parties (refer note 42)	253.03	253.03
Less: Expected credit loss	(253.03)	(253.03)
Total	-	-

10 Inventories

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Stores & Spares (at lower of cost or net realisable value)	455.99	667.52
Total	455.99	667.52

11 Trade receivables

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	528.47	2,352.62
Unsecured, considered doubtful (refer note 42)	2,824.49	2,052.32
Less: Expected credit loss	(2,824.49)	(2,052.32)
Total	528.47	2,352.62

Footnote

Trade receivables ageing schedules for the year ended March 31, 2022 and year ended March 31, 2021, outstanding from the due date of payment:

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Undisputed Trade receivables – considered good

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Not Due	461.14	171.14
Less than 6 months	47.78	1,062.13
6 months - 1 year	-	49.79
1-2 year	-	1,069.00
2- 3 years	19.00	0.55
More than 3 years	0.55	-
Total	528.47	2,352.62

Undisputed Trade Receivables – credit impaired

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Not Due	-	-
Less than 6 months	-	-
6 months - 1 year	-	1,076.29
1-2 year	1,076.29	-
2- 3 years	-	95.80
More than 3 years	1,748.20	880.56
Total	2,824.49	2,052.65

Note: The Group does not have any disputed trade receivables.

12 Cash and cash equivalents

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks in current accounts*	490.75	256.13
Total	490.75	256.13

*including restricted cash balance of Rs 130.06 lakh

13 Bank balances other than cash and cash equivalents

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with banks held as margin money (lien against bank guarantee)	46.81	46.81
Total	46.81	46.81

14 Loans

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Inter corporate deposit to related party (refer note 42)	35.00	35.00
Total	35.00	35.00

Note: Loan to related party are repayable within 25 months and carries interest @10% per annum. During the year ended March 31, 2022, the Group has given interest waiver at the request of the borrower

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

15 Other financial assets (current)

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured and considered good, unless otherwise stated		
Security deposits- others	682.79	682.79
Other receivables - From others	37.11	37.11
Interest accrued on fixed deposits	8.57	5.93
Total	728.47	725.83

16 Current tax assets

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current tax assets [net of provision for tax INR 4 lakhs (as at March 31, 2021: Nil)]	11.63	11.91
Total	11.63	11.91

17 Other current assets

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured and considered good, unless otherwise stated		
Prepaid expenses	20.14	15.46
Advances to vendors	170.45	-
Unbilled revenue	26.03	228.84
Balance with government authorities		
- Cenvat receivable	1,322.56	1,561.03
- GST claim receivable	-	239.28
Capital Advances	328.02	965.71
Total	1,867.20	3,010.32

18 Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
	No.	Rs. Lakhs	No.	Rs. Lakhs
Authorised Capital				
Equity shares of Rs. 10/- each	3,00,00,000	3,000.00	3,00,00,000	3,000.00
Compulsory Convertible Cumulative Participating Preference shares ("CCCPPS") of Rs. 10/- each	10,00,000	100.00	10,00,000	100.00
Total	3,10,00,000	3,100.00	3,10,00,000	3,100.00
Issued capital				
Equity shares of Rs. 10/- each	2,14,12,813	2,141.28	2,14,12,813	2,141.28
Total	2,14,12,813	2,141.28	2,14,12,813	2,141.28
Subscribed and fully paid up				
Equity shares of Rs. 10/- each	2,14,12,813	2,141.28	2,14,12,813	2,141.28
Total	2,14,12,813	2,141.28	2,14,12,813	2,141.28

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Notes:

a) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount (Rs in lakhs)	Number	Amount (Rs in lakhs)
Equity Shares of Rs 10/- each				
At the beginning of the year	21,412,813	2,141.28	21,412,813	2,141.28
Add: Issue of shares during the year	-	-	-	-
Total	21,412,813	2,141.28	21,412,813	2,141.28

b) Terms/ Rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders along with CCCPPS holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts and preference share capital, in proportion to their shareholding.

c) Shares held by holding / ultimate holding company and other shareholders

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount (Rs in lakhs)	Number	Amount (Rs in lakhs)
Essar Ports & Terminals Limited (holding company)	20,933,323	97.76%	18,829,154	87.93%
Ibrox Aviation and Trading Private Limited	-	0.00%	2,104,169	9.83%
Others	479,490	2.24%	479,490	2.24%
Total	21,412,813	100.00%	21,412,813	100.00%

d) Reconciliation of the number of CCCPPS at the beginning and at the end of the reporting period

Particulars	As at March 31, 2022	As at March 31, 2021
	Number	Number
0.01% CCCPPS of Rs. 10/- each		
At the beginning of the year	2	2
Add: Issue of shares during the year	-	-
Outstanding at the end of the year	2	2

e) Terms of / rights attached to CCCPPS

- Fixed dividend on preference shares : the CCCPPS holders have right to get fixed dividend of 0.01% p.a. from the date of allotment on cumulative basis.
- Participating Dividend : CCCPPS holders have the same rights to dividend as that of the equity share holders over and above the fixed dividend.
- Subject to the terms of the Shareholders Agreement and Applicable Law, the CCCPPS Holder shall have the right, at any time and from time to time after the expiry of 1 (one) year from the date of allotment of the CCCPPS. Each CCCPPS will be convertible into one equity Share having face value of Rs. 10/- (Rupees Ten only) at a conversion ratio of 1:1.
- Upon conversion of the CCCPPS into equity Shares, the holders of the CCCPPS shall be entitled to participate in the dividend on the equity Shares, on a pari passu basis with the holders of all other equity Shares.
- The Equity Shares having a face value of Rs.10/- each allotted to the holder on conversion of the CCCPPS in terms hereof shall rank pari passu in all respects with the existing equity shares of the Company.
- CCCPPS holders shall have the affirmative voting rights as per the Articles of Association of the Company.

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

f) CCCPPS held by shareholders'

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% shares	Number of shares	% shares
Vistra ITCL (India) Limited	2	100.00%	2	100.00%
Total	2	100.00%	2	100.00%

g) Reconciliation of the number of Compulsorily Convertible Debentures ('CCD') and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount (in lakhs)	Number	Amount (in lakhs)
0.01% CCD of Rs. 10/- each				
At the beginning of the year	20,377,904	2,037.79	20,377,904	2,037.79
Add: Issue of CCD during the year	-	-	-	-
Outstanding at the end of the year	20,377,904	2,037.79	20,377,904	2,037.79

h) Terms of / rights attached to CCD

- The CCDs shall have face value of Rs.10 each;
- The holder(s) of the CCDs shall be entitled to receive coupon @0.01%;
- The CCDs shall be unsecured;
- The CCD holders shall have the option to convert the CCDs into one equity share at any time after the expiry of three months from the date of allotment of the CCDs. The CCD are to be compulsorily converted after expiry of 120 months.
- The Equity Shares having a face value of Rs.10/- each allotted to the holder on conversion of the CCDs in terms hereof shall rank pari passu in all respects with the then existing equity shares of the Company.
- The CCDs shall not be listed on any Stock Exchange(s)

i) Details of debentures held by holding company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% shares	Number of shares	% shares
i) CCD of Rs. 10/- each				
Essar Ports & Terminals Limited (holding company)	2,03,77,904	100.00%	2,03,77,904	100.00%
Total	2,03,77,904	100.00%	2,03,77,904	100.00%

- During 2016-17, the Company has issued 2,14,12,813 shares of Rs 10 each fully paid to the Shareholders of Essar Ports Limited for a consideration other than cash under the composite scheme of arrangement. The Company has not bought back any shares in the previous five years except equity shares cancelled during the year 2016-17.

k) Shareholding of promoters are disclosed below:

i) Equity Shares

Name of Promoters	No. of Shares	% of total shares	% Change during the year
As at March 31, 2022			
Essar Ports & Terminals Limited	20,933,323	97.76%	9.83%
Ibrox Aviation and Trading Private Limited	-	-	-9.83%
Total	20,933,323	97.76%	-

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Name of Promoters	No. of Shares	% of total shares	% Change during the year
As at March 31, 2021			
Essar Ports & Terminals Limited	18,829,154	87.93%	-
Ibrox Aviation and Trading Private Limited	2,104,169	9.83%	-
Total	20,933,323	97.76%	

19 Other Equity

(Rs in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Retained earnings		
Opening balance of retained earnings.	(50,289.22)	(31,386.28)
Adjustment for: loss for the year	(22,122.86)	(18,902.94)
Closing balance of retained earnings	(72,412.08)	(50,289.22)
(b) Capital reserve on cancellation and fresh issue of equity share capital	26,169.28	26,169.28
(c) Equity Component of Compulsorily Convertible Debentures	2,037.78	2,037.78
(d) Securities Premium	21,735.07	21,735.07
(e) Equity Component of Compulsorily Convertible Cumulative Participating Preference shares#	0.00	0.00
(f) Remeasurement of defined benefit plans		
Opening balance of remeasurement of defined benefit plans	(35.87)	(40.44)
Adjustment for: income/ (loss) for the year	9.85	4.57
Closing balance of remeasurement of defined benefit plans	(26.02)	(35.87)
Total	(22,495.97)	(382.96)

Amount is less than Rs 1000

20 Borrowings

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings (non-current) (A)		
Unsecured borrowings- at amortised cost		
Inter corporate deposits from related parties (refer note 42)	6,547.81	9,843.29
Inter corporate deposits from others	538.66	533.94
Foreign Currency Bonds (refer note 38)	7,924.76	-
Less: Current maturities of inter corporate deposit	(525.00)	(10,368.29)
Less: Interest accrued on inter corporate deposits from others	(13.66)	(8.94)
Total (A)	14,472.57	-
Borrowings (current) (B)		
Rupee Term loans from banks	99,196.40	100,410.85
Rupee Term loans from a financial institution	20,064.62	20,115.62
Inter corporate deposits from related parties (refer note 42)	2,985.00	9,843.29
Inter corporate deposits from others	525.00	525.00

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
Foreign Currency Bonds (refer note 38)	-	8,123.33
Unamortised portion of ancillary borrowing cost	(1,845.03)	(2,332.09)
Total (B)	1,20,925.99	1,36,686.00
Total (A)+(B)	1,35,398.56	1,36,686.00

Notes :-

- (a) Rupee term loans from banks amounting to Rs. 81,434.40 lakhs (As at March 31, 2021 Rs 82,648.84 lakhs) carry interest of 11%-13.7% p.a. with repayment in 36 equal quarterly instalments starting from quarter ending June, 2017 to quarter ending in March, 2026 and rupee term loans from banks of Rs. 17,762.00 lakhs (As at March 31, 2021 Rs 17,762.00 lakhs) carry interest 11%-13.7% p.a. are repayable in 36 equal quarterly instalments starting from quarter ending June, 2018 to quarter ending in March, 2027
- (b) Rupee term loan from financial institution of Rs 16,194.07 lakhs (As at March 31, 2021 16,245.06 lakhs) carry interest of 11% p.a. (previous year 11% -12% p.a.) with repayment in 44 equal quarterly instalments starting from quarter ending June, 2017 and ending in March, 2028 and rupee term loan from financial institution of Rs 3,870.55 lakhs (As at March 31, 2021 Rs 3,870.55 lakhs) carry interest of 11% (previous year 11% p.a.) is repayable in 44 equal quarterly instalments starting from quarter ending June, 2018 and ending in March, 2029.

- (c) Rupee term loans from banks and a financial institution are secured by first mortgage and charge of all present and future movable and immovable assets / properties of the Company and pledge of certain shares of the Company held by promoters.

- (d) As at March 31, 2022, the subsidiary Company delayed payment of interest of Rs. 59,783.20 lakhs (as at March 31, 2021 Rs. 44,642.13 lakhs) and defaulted in repayments of instalments of all the banks and financial institutions since March 31, 2018.

Also one of the lender bank had filed an application under the Debt Recovery Tribunal (DRT)- II, Delhi, during the year ended March 2021 and the lead banker of the Consortium had filed an application under section 7 of with Insolvency & Bankruptcy Code (IBC) in August 2021 which is yet to be admitted. The Company is in advance stage of discussion with its lenders to settle the debt under One Time Settlement arrangement. Post which, the legal action initiated by the lenders may be withdrawn.

Management of EBTSL expects the proposed OTS arrangement to be completed in the financial year 2022-23. As at March 31, 2022, pending completion of the debt settlement proposal the Company has classified the entire borrowings as current.

- (e) Inter corporate deposits from related parties are payable within 25 months from the date of loan and carries an interest @10.00% and Inter corporate deposits from others are payable and carries an interest @12.00%. During the year ended March 31, 2022, the Group has received interest waiver from the lender (related party).

21 Lease liabilities on right-of-use assets (Non-current)

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities on right to use asset	1,800.85	2,302.46
Less: Current portion of lease liabilities	(559.66)	(501.62)
Total	1,241.19	1,800.84

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

22 Deferred tax liabilities (net)

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities		
Difference in written down value of property, plant and equipment	19,042.55	16,585.70
On Right-of-use assets/ lease obligation	-	27.35
Total (A)	19,042.55	16,613.05
Tax effect of items constituting deferred tax assets		
Unabsorbed depreciation and business loss	18,178.96	15,985.17
On Remeasurement of defined benefit obligation	19.58	19.58
Expected credit loss provision	800.15	599.39
On Right-of-use assets/ lease obligation	43.86	-
Total (B)	19,042.55	16,604.14
Net deferred tax liabilities	-	8.91

Note :

The Group has recognised deferred tax asset on unabsorbed business and depreciation loss to the extent of the corresponding reversible deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax.

23 Other non-current liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred income *	872.89	-
Total	872.89	-

*on discounting of financial instruments

24 Trade payables

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables - micro, small and medium enterprises	-	-
Trade payables other than micro, small and medium enterprises	6,541.16	6,205.45
Total	6,541.16	6,205.45

There is no amount due to micro, small and medium Enterprises as defined under "The Micro, Small and Medium Enterprise Development Act, 2006". The information has been determined to the extent such parties have been identified on the basis of information available with the Group.

Trade Payables ageing Schedules for due to creditors for the year ended March 31, 2022 and year ended March 31, 2021:

Particulars	As at March 31, 2022	As at March 31, 2021
Unbilled Dues	306.38	1,632.97
Not Due	3,009.22	1.33
Less than 1 year	1,750.79	2,823.32
1-2 year	709.82	1,291.00
2- 3 years	270.95	91.83
More the 3 years	494.00	365.00
Total	6,541.16	6,205.45

Note: Group does not have any disputed trade payables to MSME & others

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

25 Lease liabilities on right of use assets (current)

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current portion of lease liabilities	559.66	501.62
Total	559.66	501.62

26 Other financial liabilities (current)

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued on inter corporate deposit from others	13.67	8.94
Interest accrued and due on rupee term loans from banks and financial institution	59,783.20	44,642.13
Due to related parties (refer note 42)	1,275.10	659.62
Payable for capital expenses		
'- To related parties (refer note 42)	393.53	383.31
- To others	2,259.07	2,502.90
Security deposit from customers	-	41.52
Security deposit received from related parties (refer note 42)	463.00	463.00
Interest accrued but not due on lease liability	13.69	18.41
Total	64,201.26	48,719.83

27 Provisions

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Compensated absences (refer note 40)	5.30	6.43
Gratuity (refer note 40)	114.21	112.27
Total	119.51	118.70

28 Other current liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues	62.36	38.88
Income received in advance		
- from related parties (refer note 42)	-	16.38
Advance from customers	6.44	-
Deferred income on discounting of financial instruments	682.01	115.17
Total	750.81	170.43

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

29 Revenue from operations

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fleet operating and chartering earnings (refer note 42)	360.00	316.50
Cargo handling income	11,156.19	14,475.38
Transportation Income	82.58	
GMB Charges recovery (Wharfage, berth hire, Pilotage & tug Hire)	80.38	594.95
Sale of goods	2,600.00	
PDA charges recovery	164.33	1,780.12
Other operating income	782.66	248.16
Total	15,226.14	17,415.11

Note: The Subsidiary Company has developed the captive terminal facilities under the license agreement with Gujarat Maritime Board. The Subsidiary Company entered into Cargo Handling Agreement (CHA) with its only captive customer i.e Essar Power Gujarat Limited ('EPGL') with an arrangement to take or pay 4.08 MMT per year. Due to shut down of EPGL (as stated in note 4) there were no cargo handling services provided to EPGL. However, the Subsidiary Company was eligible to recover the above stated take or pay cargo handling services charges. As stated in Note 4, the Subsidiary Company has deferred invoicing and revenue recognition of these take or pay billing considering the current financial condition of the EPGL. The Subsidiary Company is allowed to handle third party cargo only on the basis of specific approval received from Gujarat Maritime Board (GMB). Basis the approval received from GMB, the revenue for the years has been generated through cargo handling services provided to various third parties.

30 Other income

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on fixed deposit	3.73	3.49
Deferred income on discounting of financial instruments	761.18	301.81
Lease Rent Concession	-	102.90
Foreign exchange gain	-	261.88
Interest Income on Income tax refund	0.58	-
Misc income	154.91	93.12
Sale of scrap	400.11	1.60
Total	1,320.51	764.80

31 Operating expenses

(Rs in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Tug hire charges	879.87	856.19
Wharfage charges	1,532.89	2,103.30
Ligherage cost and stevedoring charges	1,140.00	647.86
Power charges	1,540.89	2,217.93

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Manning management expenses	935.66	1,062.05
Equipment hire charges	164.55	462.85
Consumption of stores and spares (including fuel)	1,344.61	1,732.52
Insurance expenses	399.24	360.56
Berth hire charges, port dues & agency fees	738.08	1,464.52
Other port charges (ILH, Lighterage levy, VTMS charges etc)	179.20	185.88
Demurrage expenses	-	190.68
Purchase of Goods	2,550.00	-
Transportation charges	55.97	-
Management sharing expenses	118.33	124.67
Total	11,579.29	11,409.01

32 Employee benefit expenses

(Rs in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salary and wages	762.22	785.11
Contributions to provident and other funds	77.22	68.56
Staff welfare expenses	140.88	148.16
Total	980.32	1,001.83

33 Other expenses

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consultancy and professional charges	113.82	138.76
Auditors' remuneration	32.00	30.00
Filing and other charges	3.53	4.23
Courier, printing & stationery	0.46	2.04
Foreign exchange loss (net)	354.20	-
Vehicle Hire Charges	118.72	117.44
Directors sitting fees	13.80	16.50
Other expenses	202.71	331.31
Total	839.24	640.28

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

34 Finance costs

(Rs in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
- borrowings from banks	15,896.13	14,546.12
- borrowings from financial institutions	3,025.30	2,767.02
- inter corporate deposits from others	2.99	2.79
- compulsory convertible debentures	0.20	0.20
- others (including statutory dues)	521.56	527.90
- discounting of financial instruments	744.54	307.77
- lease liability	228.38	305.37
Total	20,419.10	18,457.17

35 Contingent Liability

(Rs in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Bank Guarantee given to Custom Department (upto November 2023)	25.00	25.00
Bond issued to Custom Department	600.00	600.00
On account of disputed demand of Income tax matters	6,134.56	6,044.56
Guarantees given by the Group to custom authorities on behalf of subsidiary	35.00	35.00
Total	6,794.56	6,704.56

36 Financial instruments

1 Capital management

The Group's objective while managing capital is to safeguard its ability to continue as a going concern while maximising the return to stakeholders through optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (non-current borrowing and current borrowings as detailed in notes 20, offset by cash and bank balances) and total equity.

The Group is subject to externally imposed capital requirements, the Group is required to maintain certain financial covenants as specified in the loan agreements. The Group's board of directors reviews the capital structure on an annual basis. Therefore all new capital requirements are duly discussed by the board of directors. The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes borrowings less cash and cash equivalents and other bank balances.

The Group has classified the long term borrowings from banks and financial institution as current on account of notice of recall from certain lenders. The Group has since made loan structuring proposal to the lenders (refer footnote (d) to note 20) .

1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows.

(Rs in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Debt	1,35,398.56	1,36,686.00
Less: Cash and cash equivalents (refer note 12)	490.75	256.13
Less: Bank balances other than cash and cash equivalents (refer note 13)	46.81	46.81
Net debt	1,34,861.00	1,36,383.06
Total equity (equity and other equity)	(22,926.57)	4,708.31
Net debt to equity ratio	(5.88)	28.97

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

2 Categories of financial instruments

(Rs in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying amount	Fair values	Carrying amount	Fair values
Financial assets				
Measured at amortised cost				
Trade receivables	528.47	528.47	2,352.62	2,352.62
Cash and cash equivalents	490.75	490.75	256.13	256.13
Bank balances other than above cash and cash equivalents	46.81	46.81	46.81	46.81
Loans	35.00	35.00	35.00	35.00
Other financial assets	728.47	728.47	725.83	725.83
Total financial assets carried at amortised cost	1,829.50	1,829.50	3,416.38	3,416.38
Financial liabilities				
Measured at amortised cost				
Borrowings	1,35,398.56	1,35,398.56	1,36,686.00	1,36,686.00
Other financial liabilities	64,201.26	64,201.26	48,719.83	48,719.83
Lease liabilities on Right-of-use assets	1,800.85	1,800.85	2,302.46	2,302.46
Trade payables	6,541.16	6,541.16	6,205.45	6,205.45
Financial liabilities measured at amortised cost	2,07,941.83	2,07,941.83	1,93,913.74	1,93,913.74

The management assessed that the fair values of cash and cash equivalent and bank balances, trade receivables, other financial assets, trade payable, current maturities of long term borrowing and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

The following methods and assumptions were used to estimate the fair values:

- The fair value of loan from banks is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities

3 Financial risk management objectives

The Group's Corporate finance department monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identification and mapping controls against these risks, monitor the risk and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and Group's activities to provide reliable information to the management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group. The Group's finance function reports quarterly to the Group's Board of Directors that monitors risks and policies implemented to mitigate risk exposures. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

3.1 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters. Quarterly reports are submitted to Board of Directors on the unhedged foreign currency exposures.

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

The Group exposure to foreign currency risk at the end of the reporting period in INR are as follows:

(Rs in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	INR	USD	Total	INR	USD	Total
Trade receivables	528.47	-	528.47	2,352.62	-	2,352.62
Financial assets other than trade receivables	1,301.03	-	1,301.03	1,063.77	-	1,063.77
Total financial assets (A)	1,829.50	-	1,829.50	3,416.38	-	3,416.38
Financial liabilities						
Borrowings	1,27,473.80	7,924.76	1,35,398.56	1,28,562.67	8,123.33	1,36,686.00
Trade Payables	6,541.16	-	6,541.16	6,205.45	-	6,205.45
Other Financial Liabilities	66,002.11	-	66,002.11	51,022.29	-	51,022.29
Total financial liabilities (B)	2,00,017.07	7,924.76	2,07,941.83	18,5790.41	8,123.33	1,93,913.74
Net financial liabilities (B)-(A)	1,98,187.57	7,924.76	2,06,112.33	1,82,374.03	8,123.33	1,90,497.36
Hedge for foreign currency risk	-	-	-	-	-	-
Net exposure of foreign currency risk	NA	7,924.76	7,924.76	NA	8,123.33	8,123.33
Sensitivity impact on profit and loss on liabilities exposure at 10%	NA	792.48	792.48	NA	812.33	812.33

Foreign currency sensitivity analysis

The Group is mainly exposed to USD currency.

The above table details the Group's sensitivity to a 10% increase and decrease in the INR against relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency risk denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number above indicates an increase in profit where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit and the balances above would be negative.

3.2 Interest rate risk management

The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Group has exposure to interest rate risk, arising principally on changes in MCLR and base rates. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like long term loans and short term loans. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period, was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides Group's floating rate borrowings and interest rate sensitivity analysis.

(Rs in lakhs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gross amount	Interest rate sensitivity @0.50%	Gross amount	Interest rate sensitivity @0.50%
Borrowings with variable interest rate	1,19,261.02	596.31	1,20,526.46	602.63
Total	1,19,261.02	596.31	1,20,526.46	602.63

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

3.3 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Group's credit risk arises principally from the trade receivables, loans, cash and cash equivalents and other financial assets.

Trade receivables

Trade receivables consist of a limited number of customers. Ongoing credit evaluation is performed on the financial condition of trade receivable. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue trade receivables.

Cash and bank balances

The credit risk on liquid funds and other bank deposits is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Loans, deposits and advances

The Group's corporate treasury function manages the financial risks related to the business. The treasury function focuses on capital protection, liquidity and yield maximisation.

Loans, deposits and advances are extended to counterparties after assessing their financial capabilities. Counterparty credit limits are reviewed and approved by Board/Audit Committee of the Group. These limits are set to minimise the concentration of risks and therefore mitigates the financial loss through counterparty's potential failure to make payments. Expected credit losses are provided based on the credit risk of the counterparties.

Collateral held as security and other credit enhancements

The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial asset

3.4 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors. The Group manages liquidity risk by maintaining reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. (also refer footnote (d) to note 20) However as at March 31, 2022, there is mismatch in current assets and current liabilities which Group will overcome in near future

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

Particulars	As at March 31, 2022				As at March 31, 2021			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial liabilities								
Borrowings	1,22,771.02	14,472.57	-	1,37,243.59	1,39,018.09	-	-	1,39,018.09
Trade payables	6,541.16	-	-	6,541.16	6,205.45	-	-	6,205.45
Lease liabilities	559.66	1,241.19	-	1,800.85	501.62	1,800.84	-	2,302.46
Other financial liabilities	64,201.26	-	-	64,201.26	48,719.83	-	-	48,719.83
Total financial liabilities	1,94,073.10	15,713.76	-	2,09,786.86	1,94,444.99	1,800.84	-	1,96,245.83

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Future interest obligations:-

Particulars	As at March 31, 2022			As at March 31, 2021		
	<1 year	1-5 year	>5year	<1 year	1-5 year	>5year
Borrowings*	-	-	-	-	-	-
Total	-	-	-	-	-	-

*since as at March 31, 2022 and March 31, 2021, the Group has classified entire borrowing from banks and financial institutions as current, no future interest obligations have been disclosed here

37 Earnings per share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic Earnings per share (in Rs.)	(52.94)	(45.23)
Diluted Earnings per share (in Rs.)	(52.94)	(45.23)

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss for the year attributable to owners of the Group (Rs. In lakhs)	(22,122.86)	(18,902.94)
Weighted average numbers of equity shares (No's)	21,412,813	21,412,813
Weighted average numbers of compulsorily convertible debentures (No's)*	20,377,904	20,377,904
Weighted average numbers of Compulsorily Convertible Cumulative Participating Preference shares (No's)*	2	2
Weighted average number of equity shares for the purposes of basic earnings per share	41,790,719	41,790,719
Earnings per share - Basic (in Rs)	(52.94)	(45.23)

* The compulsorily convertible debentures and Compulsorily Convertible Cumulative Participating Preference shares are to be converted mandatorily, there is no cash settlement option either with the Company or with the holder

38 Foreign Currency Bonds (FCBs)

Pursuant to the Composite Scheme of Arrangement, the obligations relating to the foreign currency bonds (FCB's) of Rs. 7204.29 lakhs (Equivalent of US\$ 11,111,111) (Rs. 3,859.44 lakhs (US\$ 5,952,381) Series A Bond and Rs. 3,344.85 lakhs (US\$ 5,158,730) Series B Bond) attributable to the business acquired, out of FCB's of Rs. 25,935.43 lakhs (equivalent of US\$ 39,999,988) issued by Essar Ports Limited have been transferred to the company.

Salient Terms of the FCBs are as under:

- The Bonds bears interest rate of 5% per annum payable in arrears semi-annually.
- The Bonds were convertible at an initial conversion price of Rs. 91.70 per share with a fixed rate of exchange on conversion of Rs. 46.94 to USD 1.00. Subsequently bond holder has irrevocably and unconditionally waived, forfeited and relinquished all of its rights in respect of conversion of FCBs into equity shares of the Company, resulting in FCBs being non-convertible. The Bonds will be redeemed in U.S. Dollars on August 24, 2023 at par.

On initial recognition, equity element of the FCBs attributable to the Company has been recognized under Reserves and Surplus as Equity component of compound financial instruments. On aforesaid waiver of conversion option by bond holder, the modification has been accounted as de-recognition of original liability and recognition of new liability. Further, the Company has received regulatory approval in earlier year and the instrument has become non convertible and accordingly the equity component of the instrument has been taken to retained earnings.

The Company has obtained waiver of interest payable to the bond holders upto the maturity date ie August 24, 2023

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

39 Segment information

a) Services from which reportable segments derive their revenues

The Group is in the business of providing cargo handling services through its assets mainly located in India. The Chief Operating Decision Maker reviews the results of the group for assessment of the performance and resources allocation.

Revenue from the operations of the group is from customers located in India.

b) Geographical information

The Geographical information analyses the Group's revenue and non-current assets by the Group's country of domicile (i.e. India)

The Group operates in single principal geographical area - India (country of domicile). All non-current assets held by the Group are located in India.

c) Information about major customer

During the year ended on March 31, 2022 there is one customer (for the year ended March 31, 2021 there were 2 customers) accounting for more than 10% of revenue amounting to Rs.11,162.07 lakhs (March 31, 2021: Rs. 26,364.49 lakhs).

40 Employee benefits

Defined contribution plans

Group has recognised the following amounts in the statement of profit and loss

(Rs. in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Employer's contribution to provident fund	42.87	39.84
Total	42.87	39.84

The above amounts are included in contribution to staff provident fund and other funds (refer note 32)

Defined benefit plans

A Gratuity: (funded)

The Group sponsors funded defined benefit plans for qualifying employees. The defined benefit plans are administered by Life Insurance Corporation of India (LIC) and every year the required contribution amount is paid to LIC.

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58 with the payment ceiling of Rs 2,000,000. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years.

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

The principal assumptions used for the purposes of actuarial valuation were as follows:

Particulars	Valuation as at	
	March 31, 2022	March 31, 2021
Discount rate (p.a)	6.30%	6.00%
Expected rate(s) of salary increase (p.a)	10.00%	10.00%
Attrition rate (p.a)	10.00%	10.00%

In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

Amount recognised in Statement of profit and loss in respect of these defined benefit plans are as follows:

(Rs in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	17.70	16.05
Net interest expense	24.13	6.30
Component of defined benefit costs recognised in Statement of Profit and Loss	41.83	22.35
<u>Remeasurement of net defined benefit liability:</u>		
Actuarial (gain)/ loss on defined benefit obligation	(12.33)	(5.72)
Components of defined benefit costs recognised in other comprehensive income	(12.33)	(5.72)
Total	29.50	16.63

The current service cost and net interest expense for the year are included in the 'Employee benefit expense' line item in the statement of profit and loss

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plans are as follows:

(Rs in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded defined benefit obligation	114.41	119.70
Fair value of plan assets	0.20	7.43
Net liability arising from defined benefit obligation	114.21	112.27

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Movement in the present value of the defined benefit obligation are as follows:

(Rs in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	119.70	116.29
Current service cost	17.70	16.05
Interest cost	6.76	6.68
Remeasurement (gains)/losses:		
Actuarial (gains)/losses	(15.65)	(5.67)
Benefits paid	(14.10)	(13.65)
Balance at the end of the year	114.41	119.70

Movement in the fair value of the plan assets are as follows:

(Rs in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	7.42	5.50
Interest income on plan assets	0.32	0.38
Remeasurement gain (loss):		
Return on plan assets (excluding amounts included in net interest expense)	(3.32)	0.06
Contribution from the employer	9.88	15.13
Benefits paid	(14.10)	(13.65)
Balance at the end of the year	0.20	7.42

Composition of the plan assets:

Particulars	As at March 31, 2022	As at March 31, 2021
Scheme of insurance - conventional products	100%	100%

The fair value of the instruments are determined based on quoted market prices in active markets.

The actual return on plan assets lesser than discount rate for the year ended March 31, 2022 was Rs. (3.32) lakhs (for the year ended March 31, 2021 was Rs. 0.06 lakhs).

(Rs in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimate of amount of contribution in the immediate next year	8.85	9.50

Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Rs in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(3.98)	4.24	(4.47)	4.78
Future salary growth (0.5% movement)	3.48	(3.37)	3.67	(3.58)
Attrition rate (5% movement)	(7.56)	11.36	(7.15)	10.99

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

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

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analyzed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study.

The weighted average duration of the benefit obligation at March 31, 2022 is 5 years (as at March 31, 2021: 6 years).

The expected benefits payments analysis of projected benefit obligation is as follows:

(Rs in lakhs)

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at March 31, 2022				
Defined benefit obligation	8.85	81.10	77.57	167.53
As at March 31, 2021				
Defined benefit obligation	9.50	67.29	103.20	179.99

B Compensated absences: (unfunded)

Under the Compensated absences plan, leave encashment is payable to all eligible employees on separation from the Group due to death, retirement, superannuation or resignation. Leave balance as on December 31, 2015 to the extent not availed by the employees is available for encashment on separation from the Group upto a maximum of 120 days at the rate of daily salary as at December 31, 2015.

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of unfunded obligation (Rs in lakhs)	5.30	6.43
Expense recognised in expenditure during construction (Rs in lakhs)	0.30	0.95
Discount rate (p.a)	6.30%	6.00%
Salary escalation rate (p.a)	0.00%	0.00%
Attrition rate (p.a)	10.00%	10.00%

41 Income Taxes

Significant operating entities of the Group located in India are subject to Indian Income Tax on standalone basis. Entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year, the entity profit or loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT").

Provision for tax is determined based on book profits prepared under generally accepted accounting principles and adjusted for, inter alia, the Group's assessment of allowable expenditure (as applicable), including exceptional items, set off of tax losses and unabsorbed depreciation. Statutory income tax is charged at 25% plus a Surcharge and Cess. MAT for the fiscal year 2020-21 is payable at 15% as increased by Surcharge and Cess. MAT paid in excess of regular income tax payable during a year can be carried forward and set off against regular income taxes payable within a period of fifteen years succeeding the fiscal year in which MAT credit arises.

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

a) Income taxes

(Rs in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Recognised in statement of profit and loss		
Current tax		
In respect of the current year	4.00	-
Deferred tax		
In respect of the current year	(8.91)	8.91
Total (A)	(4.91)	8.91
Recognised in other comprehensive income		
Deferred tax	-	-
Total (B)	-	-
Total (A + B)	(4.91)	8.91

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

(Rs in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss before tax	(27,652.12)	(23,732.72)
Enacted tax rate in India	26.00%	26.00%
Income tax at statutory tax rate	(7,189.55)	(6,170.51)
Effect of:		
Tax effect of non deductible expenses/ non taxable income	4,876.87	(3,133.50)
Others (including change in effective tax rate)	1.42	(23.23)
Deferred tax asset not recognised on unabsorbed business loss and depreciation	2,306.35	9,336.15
Income taxes recognised in the statement of income	(4.91)	8.91

Deferred tax assets and liabilities

Significant components of deferred tax liabilities / (assets) recognised in the financial statements are as follows :

Deferred tax balances in relation to	As at March 31, 2021	Recognised / reversed during the year	As at March 31, 2022
	(Rs in lakhs)	(Rs in lakhs)	(Rs in lakhs)
Property, Plant and Equipment	16,585.70	2,456.85	19,042.55
Employee Benefit Obligations	(19.58)	-	(19.58)
On right of use assets	27.35	(71.21)	(43.86)
Unabsorbed depreciation and business loss	(15,985.17)	(2,193.79)	(18,178.96)
Expected Credit loss	(599.39)	(200.76)	(800.15)
Total	8.91	(8.91)	-

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Components of deferred tax assets and liabilities

Deferred tax balances in relation to	As at March 31, 2020	Recognised / reversed during the year	As at March 31, 2021
	(Rs in lakhs)	(Rs in lakhs)	(Rs in lakhs)
Property, Plant and Equipment	13,385.54	3,200.16	16,585.70
On right of use assets	(1.36)	28.71	27.35
Employee Benefit Obligations	(19.58)	-	(19.58)
Unabsorbed depreciation and business loss	(12,751.84)	(3,233.33)	(15,985.17)
Expected Credit loss	(612.76)	13.37	(599.39)
Total	-	8.91	8.91

42 Related party relationship, transactions and balances.

a. Names of the related parties and description of relationship with whom the Group has transactions/balances:

Sr. No.	Nature of relationship	Name of Related Parties
1	Holding	Essar Global Fund Limited, Cayman Island (ultimate holding company) Essar Ports Holdco Limited, Mauritius (intermediate holding company) Essar Ports & Terminals Limited, Mauritius (immediate holding company)
2	Fellow Subsidiaries / other related parties	Essar Ports Limited Hazira Cargo Terminals Limited Essar Bulk Terminal Limited Paradeep Steel Company Limited Ibrox Aviation and Trading Private Limited Essar Bulk Terminal Paradip Limited EPC Constructions India Limited Essar Paradip Terminals Limited Essar Power Gujarat Limited Essar Steel Metal Trading Limited
3	Key Management Personnel	Mr Bhaven Bhatt (CEO and Director from March 25, 2019 to February 03, 2021) Mr Sant Khare (CEO and Director from February 03, 2021)

b) Transactions with related parties :-

(Rs. in lakhs)

Nature of transactions	Holding companies		Other related parties		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Inter corporate deposits received						
Essar Ports Limited	-	-	-	1,985.00	-	1,985.00
Essar Bulk Terminal Paradip Limited	-	-	200.00	-	200.00	-
Hazira Cargo Terminal Limited	-	-	441.53	-	441.53	-
Essar Bulk Terminal Limited	-	-	-	1,000.00	-	1,000.00
Total	-	-	641.53	2,985.00	641.53	2,985.00

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Nature of transactions	Holding companies		Other related parties		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Inter corporate deposits refunded back						
Hazira Cargo Terminal Limited	-	-	48.86	-	48.86	-
Charter Hire income						
Essar Bulk Terminal Limited	-	-	360.00	316.50	360.00	316.50
Inter corporate deposit given						
Essar Steel Metal Trading Limited	-	-	-	35.00	-	35.00
Management sharing expenses						
Essar Ports Limited	-	-	118.33	124.66	118.33	124.66
Interest expenses on CCDs						
Essar Ports & Terminals Limited	0.20	0.20	-	-	0.20	0.20
Payable of non related party transfer to						
Essar Steel Metal Trading Limited	-	-	419.76	-	419.76	-
Purchase of fixed assets / Capital work-in-progress / Expenditure during construction						
Essar Bulk Terminal Limited	-	-	-	5.33	-	5.33
Operational Expenses						
Essar Power (Gujarat) Limited	-	-	-	274.27	-	274.27
Hazira Cargo Terminals Limited	-	-	600.00	527.50	600.00	527.50
Total	-	-	600.00	801.77	600.00	801.77
Expenses incurred by others on behalf of the Group						
Essar Ports Limited	-	-	4.90	15.11	4.90	15.11
Essar Bulk Terminal Limited	-	-	-	3.75	-	3.75
Total	-	-	4.90	18.86	4.90	15.11
Remuneration*						
Sant Khare	-	-	133.53	17.30	133.53	17.30
Total	-	-	133.53	17.30	133.53	17.30

* Does not include the amount payable as gratuity and compensated absence as the same is calculated for the Group as a whole on actuarial basis.

c) Balance with related parties at the year end

Nature of balances	Holding companies		Other related parties		Total	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Advance income received						
Essar Bulk Terminal Limited	-	-	-	16.38	-	16.38
Security deposit received						
Essar Bulk Terminal Limited	-	-	463.00	463.00	463.00	463.00
Capital creditors						
Essar Ports Limited	-	-	7.82	15.59	7.82	15.59
Essar Bulk Terminal Limited	-	-	385.71	367.72	385.71	367.72
Total	-	-	393.53	383.31	393.53	383.31

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Nature of balances	Holding companies		Other related parties		Total	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Capital advances given						
EPC Constructions India Limited	-	-	253.03	(253.03)	253.03	(253.03)
Less Expected Credit Loss	-	-	(253.03)	253.03	(253.03)	253.03
Total	-	-	-	-	-	-
Trade Receivable						
Essar Bulk Terminal Limited	-	-	34.80	-	34.80	-
Essar Power Gujarat Limited	-	-	2,824.49	3,344.00	2,824.49	3,344.00
Less: Expected credit loss	-	-	(2,824.49)	(2,052.32)	(2,824.49)	(2,052.32)
Total	-	-	34.80	1,291.68	34.80	1,291.68
Inter corporate deposits received						
Essar Ports Limited	-	-	6,325.00	6,325.00	6,325.00	6,325.00
Hazira Cargo Terminal Limited	-	-	392.67	-	392.67	-
Essar Bulk Terminal Limited	-	-	1,050.00	1,050.00	1,050.00	1,050.00
Essar Bulk Terminal Paradip Limited	-	-	200.00	-	200.00	-
Essar Paradip Terminal Limited	-	-	-	349.00	-	349.00
Essar Steel Metal Trading Limited	-	-	2,601.00	2,252.00	2,601.00	2,252.00
Less: Ind AS adjustment	-	-	(1,035.86)	(132.71)	(1,035.86)	(132.71)
Total	-	-	9,532.81	9,843.29	9,532.81	9,843.29
Inter corporate deposit given						
Essar Steel Metal Trading Limited	-	-	35.00	35.00	35.00	35.00
Trade and other payable						
Essar Steel Metal Trading Limited	-	-	770.76	2.65	770.76	2.65
Essar Ports Limited	-	-	574.41	655.17	574.41	655.17
Essar Power Gujarat Limited	-	-	-	519.83	-	519.83
Hazira Cargo Terminals Limited	-	-	1,383.31	815.80	1,383.31	815.80
Essar Paradip Terminal Limited	-	-	-	0.23	-	0.23
Paradeep Steel Company Limited	-	-	-	0.32	-	0.32
Essar Ports & Terminals Limited	0.69	0.51	-	-	0.69	0.51
Total	0.69	0.51	2,728.48	1,994.00	2,729.17	1,994.51

Essar Paradip Terminals Limited is amalgamated with Essar Steel Metal Trading Limited during the year.

43 (A) Details of Subsidiary and composition of Group

Essar Bulk Terminal (Salaya) Limited, a company incorporated in India, is a subsidiary which has been consolidated while preparation of these financial statements. Effective holding is 79.90% (as at March 31, 2021: 79.90%) in subsidiary company. Principal activity of EBTS is to provide port and terminal cargo handling services

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

Non controlling interest

Financial information of Essar Bulk Terminal (Salaya) Limited

(Rs. In lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non current assets	1,82,350.52	1,91,489.09
Current Assets	3,945.46	6,981.36
Non current liabilities	9,799.33	1,916.01
Current liabilities	1,89,290.42	1,81,879.91
Equity attributable to the owners of the equity	(10,221.89)	11,724.55
Non controlling interest	(2,571.88)	2,949.99

(Rs. In lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue	13,350.18	17,598.77
Expenses	40,818.50	41,662.93
Loss for the year	(27,468.32)	(24,064.16)
Loss attributable to the owners of equity	(21,946.45)	(19,226.62)
Loss attributable to the non-controlling interest	(5,521.87)	(4,837.54)

43 (B) Additional information as required under Schedule III to the Companies Act, 2013

Name of the entities in the Group	Net assets, i.e. total assets minus total liabilities as at March 31, 2022		Share of loss for the year ended March 31, 2022		Share in other Comprehensive loss for the year ended		Share in total Comprehensive loss for the year ended March 31, 2022	
	As % of consolidated net assets	Rs in lakhs	As % of consolidated profit or loss	Rs in lakhs	As % of consolidated other comprehensive income / (loss)	Rs in lakhs	As % of total comprehensive income / (loss)	Rs in lakhs
Parent								
Salaya Bulk Terminals Limited	-2.13	48,775.71	0.01	(166.57)	-	-	0.01	(166.57)
Subsidiaries								
Essar Bulk Terminal (Salaya) Limited	0.56	(12,793.77)	0.99	(27,480.64)	1.00	12.33	0.99	(27,468.31)
Intercompany elimination and consolidation adjustments	2.57	(58,908.51)	-	-	-	-	-	-
Grand Total	1.00	(22,926.55)	1.00	(27,647.21)	1.00	12.33	1.00	(27,634.88)

44 Note on Going Concern

As stated in note 4 and 29, subsidiary Company is unable to generate revenue and recover existing receivables from EPGL resulting liquidity crunch for the Company. Due to this the subsidiary Company is unable to service its debt. The defaulted in payment on interest and re-payment of instalments has led to filing of various application by the lenders at various judicial forums against the subsidiary Company. Further the revenue and cash flow for future years is heavily dependent on financial condition of EPGL and the approvals from GMB to handle third part cargo.

However as stated in Note 20, the subsidiary Company is confident of future projected revenues and cashflow coupled with the one time settlement ("OTS") proposal of its existing borrowings, the management has concluded that the subsidiary Company should be able to overcome its short-term liquidity crunch in near future. Also the subsidiary Company has received support letter from its holding Company. Accordingly, the financial statements for the year ended March 31, 2022 have been prepared on going concern basis.

Notes forming part of the consolidated financial statements for the year ended March 31, 2022

45 As on March 31, 2022, the holding Company's current liabilities exceed its current assets by Rs 1,88,934.08 lakhs. The Management has addressed this deficit by obtaining financial support from its parent entity. Accordingly the financial statements have been prepared on going concern basis

46 Note on social security code:

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

47 The following Schedule III amendments is not applicable on the Group:

- (i) The Group is not holding any benami property under the "Benami Transactions (Prohibition) Act, 1988;
- (ii) The Group do not have any transactions/balances with companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956;
- (iii) The Group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries;
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year;
- (v) The Group does not hold any immovable property whose lease deed is not in the name of Group;
- (vi) The Group has not revalued any of its property, plant and equipment or intangible assets.
- (vii) The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (viii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

48 The Figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

In terms of our report attached

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Bhavik Lalit Shah
Partner
Membership No.: 122071
Mumbai, August 30, 2022

For and on behalf of the Board of Directors of Salaya Bulk Terminals Limited

Amit Bapna
Director
DIN: 00008443

Ankush Goyal
Chief Financial Officer

Mumbai, August 30, 2022

Kamla Kant Sinha
Director
DIN- 00009113

Bhawani Shankar Thanvi
Company Secretary
Membership No.: A50535

Sant Khare
Chief Executive Officer



Salaya Bulk Terminals Limited

Essar House, 11,
K. K. Marg, Mahalaxmi,
Mumbai - 400034