

VADHVAN PORT PROJECT LIMITED

1st Floor, Administrative Building Sheva, Navi Mumbai, Maharashtra, India-400707

Balance Sheet

as at 31 March 2019

(Currency : India Rupees)

Sr. No.	Particulars	Note	31 March 2019	31 March 2018
(I)	EQUITY AND LIABILITIES			
(1)	Shareholder's funds			
	(a) Share capital	3	65,00,000	65,00,000
	(b) Reserves and surplus	4	(1,16,739)	(80,345)
			63,83,261	64,19,655
(3)	Current liabilities			
	(a) Other current liabilities	5	64,994	34,600
			64,994	34,600
	Total		64,48,255	64,54,255
(II)	ASSETS			
(1)	Current assets			
	(a) Cash and bank balances	6	64,48,255	64,54,255
			64,48,255	64,54,255
	Total		64,48,255	64,54,255

Significant accounting policies.

2

The accompanying notes referred above form an integral part of financial statements

As per our report of even date attached.

For S M S R & Co LLP

Chartered Accountants

Firm's Registration No: 110592W/W100094

For and behalf of the Board**Vadhvan Port Project Limited**

CIN : U45309MH2016GOI285869

U Balakrishna Bhat

Partner

Membership no : 019216

Date : 29 September 2019

Place : Mumbai

*Sanjay Sethi***Sanjay Sethi**

Director

DIN : 02235406

Date : 29 September 2019

Place : Mumbai

*Sunil Kumar Madabhavi***Sunil Kumar Madabhavi**

Director

DIN : 06634300



VADHVAN PORT PROJECT LIMITED

1st Floor, Administrative Building Sheva, Navi Mumbai, Maharashtra, India-400707

Statement of profit and loss

for the year ended 31 March 2019

(Currency : India Rupees)

Sr. No.	Particulars	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
	Income			
I	Revenue from operations		-	-
II	Other income		-	-
III	Total income (I+II)		-	-
	Expenses			
IV	Other expenses	7	36,394	50,500
	Total expenses		36,394	50,500
V	Loss before tax (III-IV)		(36,394)	(50,500)
VI	Tax expense			
	(1) Current tax	15	-	-
	(2) Deferred tax	16	-	-
	(3) Tax for previous years		-	-
	Total tax expenses		-	-
VII	Loss for the year (V-VI)		(36,394)	(50,500)
VIII	Earnings per share	8		
	(1) Basic		(0.06)	(0.10)
	(2) Diluted		(0.06)	(0.10)

Significant accounting policies.

2

The accompanying notes referred above form an integral part of financial statements

As per our report of even date attached.

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Firm's Registration No: 110592W/W100094

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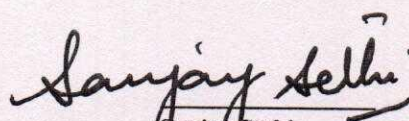
U Balakrishna Bhat

Partner

Membership no.: 019216

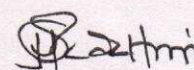
Date : 29 September 2019

Place : Mumbai


Sanjay Sethi

Director

DIN : 02235406


Sunil Kumar Madabhavi

Director

DIN : 06634300

Date : 29 September 2019

Place : Mumbai



VADHVAN PORT PROJECT LIMITED

1st Floor, Administrative Building Sheva, Navi Mumbai, Maharashtra, India-400707

Cash flow statement

for the year ended 31 March 2019

(Currency : India Rupees)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
(A) Cashflows from operating activities		
Loss before tax	(36,394)	(50,500)
<u>Adjustments for:</u>		
Interest Income	-	-
Depreciation and amortisation	-	-
Operating profit before working capital changes	(36,394)	(50,500)
Adjustments for working capital changes :		
Increase in other current liabilities	30,394	100
Cash generated from / (used in) operations	(6,000)	(50,400)
Taxes paid	-	-
Net cash generated from / (used in) operating activities (A)	(6,000)	(50,400)
(B) Cashflows from investing activities		
Net cash generated from / (used in) investing activities (B)		
(C) Cash flows from financing activities		
Proceeds from share application money		16,89,990
Net cash generated from / (used in) financing activities (C)		16,89,990
Net increase/(decrease) in cash and cash equivalent (A+B+C)	(6,000)	16,39,590
Cash and cash equivalent at the beginning of the year	64,54,255	48,14,665
Cash and cash equivalent at the end of the year (Refer note 1 below)	64,48,255	64,54,255

Notes to cash flow statements

1. Components of cash and cash equivalents

Particulars	31 March 2019	31 March 2018
Cash on hand	-	-
Balances with banks		
- In current accounts	64,48,255	64,54,255
Total	64,48,255	64,54,255

2. Figures in brackets represent outflow of cash and cash equivalents.

3. The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard 3 on "Cash Flow Statement".

As per our report of even date attached.

For S M S R & Co LLP

Chartered Accountants

Firm's Registration No: 110592W/W100094

For and behalf of the Board.**For Vadhvan Port Project Limited**

CIN : U45309MH2016GOI285869

U Balakrishna Bhat

Partner

Membership no.: 019216

Date : 29 September 2019

Place : Mumbai

*Sanjay Sethi***Sanjay Sethi**

Director

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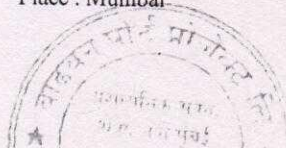
*Sunil Kumar Madabhavi***Sunil Kumar Madabhavi**

Director

DIN : 06634300

Date : 29 September 2019

Place : Mumbai



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Notes forming part of the financial statements

(Currency : India Rupees)

3 Share capital**Authorised :**

50,00,000 (P.Y 50,00,000) equity shares of ₹ 10 each

31 March 2019**31 March 2018**

5,00,00,000

5,00,00,000

5,00,00,000**5,00,00,000****Issued, subscribed and fully paid-up :**

6,50,000 (P.Y 6,50,000) equity shares of ₹ 10 each

65,00,000

65,00,000

65,00,000**65,00,000****(a) Reconciliation of equity shares outstanding as at the beginning and at the end of the year**

Particulars	31 March 2019		31 March 2018	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares at the beginning of the year	6,50,000	65,00,000	-	-
Add : Equity shares issued during the year	-	-	6,50,000	65,00,000
Equity shares outstanding at the end of the year	6,50,000	65,00,000	6,50,000	65,00,000

(b) Terms / rights attached to equity shares

The Company has issued only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. All shares rank pari passu with regard to dividend & repayment of capital. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining net assets of the Company, after distribution of all preferential amounts proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company :

Name of the shareholder	31 March 2019		31 March 2018	
	No. of Shares	% holding	No. of Shares	% holding
Jawaharlal Nehru Port Trust	4,80,995	74.00%	4,80,995	74.00
Maharashtra Maritime Board	1,69,000	26.00%	1,69,000	26.00

Note: As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(d) For the immediately preceding periods before the date at which the balance sheet is prepared:

- there are no shares allotted as fully paid pursuant to contract(s) without payment being received in cash.
- there are no shares allotted as fully paid up by way of bonus shares, and
- there are no shares bought back.

4 Reserves and surplus**Deficit in the statement of profit and loss**

At the commencement of the year

Add : Loss for the year

31 March 2019**31 March 2018**

(80,345)

(29,845)

(36,394)

(50,500)

(1,16,739)**(80,345)****5 Other current liabilities**

Reimbursement of expenses

Payables for expenses (refer note 13)

Provision for expenses

31 March 2019**31 March 2018**

6,000

5,000

27,730

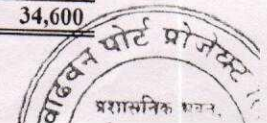
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31,264

29,600

64,994**34,600**

Note: Reimbursement of expenses includes ₹ 6,000 (P.Y : ₹ 5,000) dues to related parties (refer note 12(iii))



VADHVAN PORT PROJECT LIMITED

1st Floor, Administrative Building Sheva, Navi Mumbai, Maharashtra, India-400707

Notes forming part of the financial statements

(Currency : India Rupees)

6 Cash and bank balances

Cash on hand

Balances with banks

- In current accounts

31 March 2019

31 March 2018

64,48,255

64,54,255

64,48,25564,54,255

VADHAVAN PORT PROJECT LIMITED

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Notes forming part of the financial statements

(Currency : India Rupees)

7 Other expensesAuditors' remuneration (*inclusive of applicable taxes*)

- Statutory audit fees

- Reimbursement of expenses

Interest on late payment of statutory dues

Interest on late payment of dues to MSMED enterprises

Legal and professional charges

**For the year ended
31 March 2019****For the year ended
31 March 2018**

30,130

3,500

1,000

1,764

-

36,394

23,600

-

-

-

26,900

50,500**8 Earnings per share**

The disclosure requirements with respect of Accounting Standard (AS) 20 on "Earnings Per Share" are as follows:

Particulars**For the year ended
31 March 2019****For the year ended
31 March 2018**

Net loss attributable to equity shareholders

(36,394)

(50,500)

Number of equity shares outstanding at the beginning of the year

6,50,000

-

Number of equity shares outstanding at the end of the year

6,50,000

6,50,000

Weighted average number of equity shares outstanding during the year (based on date of issue of shares)

6,50,000

4,89,726

Face value per share (₹)

10

10

Basic and diluted earnings per share (₹)

(0.06)

(0.10)



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Notes forming part of the financial statements

(Currency : India Rupees)

9 Contingent liabilities and commitments**i) Contingent liabilities**

The Company's major shareholder i.e. Jawaharlal Nehru Port Trust (JNPT) has incurred expenses with respect to the development of the Vadhvan port. The said expenditure would be reimbursed from the Company by JNPT, subject to necessary management approvals, on commencement of Company's business operations.

Further, no provision (P.Y NIL) has been made for liabilities which are of contingent nature.

ii) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

31 March 2019**31 March 2018**

-

-

The Company does not have any contingent liabilities and commitments, except as disclosed above. The same is certified by the management and is relied upon by the auditor

10 Extraordinary items

As per Accounting Standard 5 issued by ICAI, Prior Period and Extra Ordinary Items should be disclosed. However, there are no extraordinary items (P.Y. NIL), which are charged or credited to the Statement of Profit & Loss during the year ended 31 March, 2019.

11 Events occurring after balance sheet date

There are no significant events which have occurred post the Balance Sheet date upto the date of signing of the financial statements, which requires separate disclosures or adjustments in the financial statements. Hence, these financial statements are fully complied with AS 4, issued by ICAI.

12 Information on related party transactions as required by Accounting Standard - 18 on "Related Party Disclosures"**(i) Category of related parties****(a) Key Management personnel ('KMP')**

Niraj Bansal

Atul Patne

Anil Udhavrao Diggikar

Vikram Kumar

Sunil Kumar Vishnu Madabhavi

Sanjay Sethi

Relationship

Director

Director (upto 08.12.2017)

Director (upto 22.03.2018)

Director (w.e.f 01.12.2017)

Director (w.e.f 01.12.2017)

Nominee Director (w.e.f 03.01.2019)

(b) Enterprises exercising significant influence:

Jawaharlal Nehru Port Trust (JNPT)

Maharashtra Maritime Board (MMB)

(ii) Transactions with related parties during the year

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Reimbursement of expenses		
Jawaharlal Nehru Port Trust (JNPT)	1,000	
	1,000	
Share application money received		
Jawaharlal Nehru Port Trust (JNPT)	-	-
Maharashtra Maritime Board (MMB)	-	16,89,99
	-	16,89,99

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Notes forming part of the financial statements

(Currency : India Rupees)

(iii) Amount due to / from related parties

Particulars	31 March 2019	31 March 2018
Other current liabilities		
Jawaharlal Nehru Port Trust (JNPT)	6,000	5,000
	6,000	5,000

13 Details of dues to micro, small and medium enterprises as defined under MSMED Act, 2006 :

Particulars	31 March 2019	31 March 2018
The principal amount remaining unpaid to any supplier at the end of the accounting year;	27,730	-
Interest due remaining unpaid to any supplier at the end of the accounting year;	1,764	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued on the principal amount payments made and remaining unpaid at the end of each accounting year ; and	1,764	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	3,268	-

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis information collected by the management. This has been relied upon by the auditors.

- 14 As per the provisions of Section 56(4) of the Companies Act, 2013, the Company is required to issue the share certificates to the subscribers to the memorandum within a period of two months from the date of incorporation, unless prohibited by a provision of law or any order of Court, Tribunal or other authority. However, during the previous year there was a delay in issuance of the share certificates. The Company will take necessary steps in case of receipt of any intimation in this regard from MCA/Registrar of Companies. These financial statements do not include provisions in respect of liabilities, penalties/levies any, that may arise in this regard as the same is currently not ascertainable.

15 Current tax

No provision for income tax has been made during the current year and previous year, in view of the losses incurred by Company during both the financial years.



VADHAVAN PORT PROJECT LIMITED

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Notes forming part of the financial statements

(Currency : India Rupees)

16 Deferred tax

The disclosure requirements with respect of Accounting Standard 22 on "Accounting for Taxes on Income" are as follows :

Particulars	31 March 2019	31 March 2018
Deferred tax liability	-	-
Deferred tax asset		
On account of current year losses	31,381	21,91
Deferred tax asset (net) (Refer note below)	-	-

Note :

The Company has not commenced its operations during the year and accordingly the tax losses will be carried forward to subsequent financial year. Hence, on the grounds of prudence, deferred tax assets have been recognized in financial statements only to the extent of deferred tax liabilities during the current financial year.

17 Going concern assumptions

The Company has not carried out any business operations during both the financial years, which are presented in the financial statements for the year ended 31 March 2019.

In view of the aforesaid, the Company's Management contends that Jawaharlal Nehru Port Trust (JNPT) has accepted Detailed Project Report (DPR) for Vadhavan Port in Dahanu Taluka, Palghar District (Maharashtra State) in its ^{Trustee} Board Meeting held on 12th December, 2018. Also, the additional studies in regard to possible impact on TAPS intake and outfall facilities due to proposed port at Vadhavan were completed on the request of the Department of Atomic Energy. However, the principle approval for the proposed port at Vadhavan was still awaited from Cabinet, Govt of India, as on the date of signing the financial statements for the year ended 31 March 2019, for which JNPT would be following up for obtaining the required approvals, on behalf of the Company.

Thus, on receiving the in-principle approval from Cabinet, Govt of India, the Company would be commencing its business operations and accordingly would be operating as a going concern.

These financial statements do not include any adjustments that might result should the company not be able to continue as a going concern.

18 Non - Compliance of Section 143(6) of the Companies Act, 2013

As per the provisions of the Section 143(6) of the Companies Act, 2013 ('the Act'), the Comptroller and Auditor-General of India (CAG) shall within sixty days from the date of receipt of the audit report under sub-section (5) of section 143 have a right to :-

(a) conduct a supplementary audit of the financial statement of the company by such person or persons as he may authorise for this behalf; and for the purposes of such audit, require information or additional information to be furnished to any person or persons, so authorised, on such matters, by such person or persons, and in such form, as the Comptroller and Auditor-General of India may direct; and

(b) comment upon or supplement such audit report:

Provided that any comments given by the Comptroller and Auditor-General of India upon, or supplement to, the audit report shall be sent by the company to every person entitled to copies of audited financial statements under sub-section (1) of section 136 and also be placed before the annual general meeting (AGM) of the company at the same time and in the same manner as the audit report.

In view of the above, the Company was required to comply with provisions of section 143(6) of the Act, prior to the holding of the AGM for the financial year ended 31 March, 2019. However, as explained to the Statutory Auditors, the said mandatory statutory compliance will not be complied upon by the Company prior to the holding of the AGM.

Further, the Company's Management contended that the Company was in its preliminary stages of business and has not commenced the business operations. Further, there were no major transactions during the current financial year.

Also, the Company's Management provided reasonable assurance to the Statutory Auditors that it would be submitting signed financial statements for the year ended 31 March 2019 to the CAG for its audit at the earliest and ensure such compliance will not occur in the coming financial years.

Handwritten signature and stamp of the Statutory Auditor.

VADHVAN PORT PROJECT LIMITED

1st Floor, Administrative Building Sheva, Navi Mumbai, Maharashtra, India-400707

Notes forming part of the financial statements

(Currency : India Rupees)

- 19 The figures of the previous year have been regrouped or reclassified wherever necessary to confirm to the presentation of current year figures.

For SMSR & Co LLP

Chartered Accountants

Firm's Registration No: 110592W/W100094

U Balakrishna Bhat

Partner

Membership no.: 019216

Date : 29 September 2019

Place : Mumbai

For and behalf of the Board.

For Vadhvan Port Project Limited

CIN : U45309MH2016GOI285869

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Vadhvan Port Project Limited

1st Floor, Administrative Building Sheva, Navi Mumbai, Maharashtra, India-400707

Notes forming part of the financial statements

1. Corporate information

Vadhvan Port Project Limited was incorporated on 14th September, 2016 with the purpose of carrying on the business of establishing ports and related activities. The share holding pattern of this company is Jawaharlal Nehru Port Trust (JNPT) shall at all times hold not less than 74% of the Paid-up Equity Shares of the Company and remaining 26% of the Paid-up Equity Shares will be held by Maharashtra Maritime Board (MMB) as provided in the Agreement, and this ratio shall be followed in the event of further issue of the Equity Shares.

2. Significant Accounting Policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1 Basis of preparation of financial statements

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act (to the extent notified). These financial statements have been prepared on a going concern basis. GAAP comprises of mandatory accounting standards as prescribed under the Act. Accounting policies have been consistently applied.

2.2 Use of estimates

Preparation of the financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of property, plant and equipment and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Difference between the actual results and estimates are recognised in the period in which the results are known.

2.3 Current and Non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of resources for delivery and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

2.4 Cash flow statement

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



2.5 Taxes on income

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expenses is recognised in the statement of profit and loss.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Minimum Alternative tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for -which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

2.6 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issue including for changes effected prior to the approval of financial statements by the Board of Directors.

2.7 Provisions, Contingent liabilities & Contingent assets

Provision is recognized in the financial statements when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions which are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.



Vadhvan Port Project Limited
1st Floor, Administrative Building Sheva, Navi Mumbai, Maharashtra, India-400707
Notes forming part of the financial statements

1. Corporate information

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2. Significant Accounting Policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1 Basis of preparation of financial statements

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2.2 Use of estimates

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Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Difference between the actual results and estimates are recognised in the period in which the results are known.

2.3 Current and Non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of resources for delivery and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

2.4 Cash flow statement

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



Vadhvan Port Project Limited

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Notes forming part of the financial statements

If the effect of 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 passage of time is recognised as finance cost.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

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