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Aashna Maritime Inc.
Panama City, Republic of Panama

Financial Statements &
Independent Auditor's Report
for the year ended March 31, 2023

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Aashna Maritime Inc.
Panama City, Republic of Panama

Financial Statements for the year ended March 31, 2023
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Aashna Maritime Inc.
Aquilino de la Guardia Street,
Ocean Business Plaza Building,
Floor 23, Suite 23-01, Panama City
Republic of Panama

Director's Report

The director of the Company presents this report along with the financial statements of Aashna Maritime Inc., Panama City, Republic of Panama for the year ended March 31, 2023.

Legal status and shareholder:

Aashna Maritime Inc. is incorporated and registered in Panama City, Republic of Panama under Microjacket no. 732253 and Documents no. 1953704 of the Mercantile Section of Public Registry Office under Public Deed no. 7919 dated April 07, 2011.

M/s Adani Shipping Pte. Ltd., a private company limited by shares registered in Singapore under ACRA (Accounting & Corporate Regulatory Authority) and having registration no. 200614235E is the sole shareholder of the Company holding share capital of USD 600/- (30 shares of USD 20/- each). The registered address of M/s Adani Shipping Pte. Ltd. is 3 Anson Road, #22-01, Springleaf Tower, Singapore 079909.

The Company is a wholly owned subsidiary of M/s Adani Shipping Pte. Ltd., incorporated in Singapore. The ultimate parent company is M/s Adani Enterprise Limited, a public listed company incorporated in India having company identification no. L51100GJ1993PLC019067 and registered address is Adani Corporate House, Shantigram Near Vaishno Devi Circle, S. G. Highway, Ahmedabad, Gujarat 382421.

During previous year, the shareholder of the Company had vide resolution passed at its meeting held on September 10, 2021 resolved to initiate the buyback of 20 shares, out of 50 shares (ie. 40% of the issued & paid up share capital) of the Company from the existing shareholder. The Company had appointed an independent third party to carry out the valuation of the share of the Company.

The sole member of the Company and the Board of Directors of the Company also had passed multiple resolutions on September 10, 2021, approving the share buyback, value of shares at which the buyback shall happen (USD 590,000/- per share, including a premium of USD 589,980/- per share) and also resolved that the Company's reserves & surplus cash would be utilized to settle the amount of buyback (ie. USD 11,800,000/-) and make payment to shareholder.

Subsequent to the buyback of shares, the Company's revised issued & paid up share capital of USD 600/- (divided into 30 shares of USD 20/- each) was the revised capital at the previous reporting date.

The day to day operations of the Company are being handled by Mr. Pranav Vora, U.S. national, who is appointed as the director of the Company.

Operations of the Company:

The Company is incorporated to engage in any lawful act or activity which is not prohibited under the jurisdiction of Republic of Panama and the Company has been incorporated as a special purpose vehicle for providing shipping and logistics services primarily to its shareholder and the shareholder's group. The Company was principally engaged in the activity of being a bareboat owner, charterer and shipping agent during the year under review.

The financial highlights of the Company are as below:

	2022-23	2021-22
	USD	USD
Revenue	7,921,354	8,819,000
Gross (loss)/profit	(432,677)	4,204,479
Net (loss)/profit	(2,454,121)	2,967,210
Total liabilities	29,348,935	28,972,739
Equity	9,008,258	11,462,379

Aashna Maritime Inc.
Aquilino de la Guardia Street,
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Republic of Panama

Results & dividend:
Net loss for the year amounted to USD 2,454,121/- (previous year earned net profit of USD 2,967,210/-).

Opening balance of retained earnings after setting off current year net loss is proposed to be carried forward.

Management's responsibilities & acknowledgements:
We confirm that management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs), local laws, rules and regulations of the country of incorporation and the applicable provisions of the Charter of Incorporation of the Company.

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Company's management further states that there are no material uncertainties which would make the going concern assumption inappropriate.

Events occurring after the reporting date:
There were no significant events occurring after the reporting date that would materially affect the working or the financial statements of the Company.

Auditors:
The Company's auditors, M/s Kothari Auditors & Accountants, Dubai (U.A.E.) are retiring at the end of the annual general meeting of the shareholder and being eligible have expressed their willingness to be re-appointed. A resolution to re-appoint them for the year 2023-24 and to fix their remuneration would be put up before the shareholder at the annual general meeting.

For Aashna Maritime Inc.

AASHNA MARITIME INC. PANAMA

Pranav Vora
Director

April 28, 2023
Dubai, United Arab Emirates

Independent Auditor's Report
To the shareholder of
Aashna Maritime Inc.
Panama City, Republic of Panama

Opinion:
We have audited the financial statements of Aashna Maritime Inc., Panama City, Republic of Panama (the Company), which comprise the statement of financial position as at March 31, 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes & schedule to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2023, its financial performance & its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) applied on a consistent basis.

Basis for opinion:
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 opinion.

Other matter:
Property, plant & equipment represents capitalised value of finance lease under Bareboat Charter agreement (refer Sch - 1 & notes therein).

Responsibilities of management and those charged with governance for the financial statements:
Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs), local laws, rules and regulations of the country of incorporation and the applicable provisions of the Charter of Incorporation of the Company and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements:
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report (continued)
To the shareholder of
Aashna Maritime Inc.
Panama City, Republic of Panama

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

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements:
Further, we report that:

- We have obtained all the information we considered necessary for the purpose of our audit.
- The financial statements have been prepared and comply, in all material respects, with the applicable provisions of the local laws, rules and regulations of the country of incorporation and the Charter of Incorporation of the Company.
- The Company has maintained proper books of accounts and the financial statements are in agreement therewith.
- The financial information included in the Director's Report is consistent with the books of accounts and records of the Company.
- The Company has not purchased or invested in any shares during the financial year ended March 31, 2023.



Independent Auditor's Report (continued)
To the shareholder of
Aashna Maritime Inc.
Panama City, Republic of Panama

- Note no. 4.1 to the financial statements discloses material related party transactions, and the terms under which they were conducted.
- Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened, during the financial year ended March 31, 2023, any of the applicable provisions of the local laws, rules and regulations of the country of incorporation and the Charter of Incorporation of the Company which would materially affect its activities or its financial position as at March 31, 2023.

Kothari Vipul R.
Ministry of Economy Registration No. 159
Kothari Auditors & Accountants

April 28, 2023
Dubai, United Arab Emirates

Kothari Auditors & Accountants

Kothari
auditors & accountants

Aashna Maritime Inc.

Panama City, Republic of Panama

Statement of Financial Position as at March 31, 2023

Particulars	Note no.	2023 USD	2022 USD
Assets:			
Non-current assets			
Property, plant & equipment	Sch 1	37,799,538	39,985,733
		37,799,538	39,985,733
Current assets			
Inventories	5	163,505	203,573
Deposits, prepayments & advances	6	133,606	228,080
Cash & bank balances	7	260,544	17,732
		557,655	449,385
Total assets employed		**38,357,193**	**40,435,118**
Equity & liabilities:			
Equity			
Share capital	8	600	600
Reserves & surplus	9	9,007,658	11,461,779
Equity		9,008,258	11,462,379
Non-current liabilities			
Finance lease	10	19,692,915	23,552,175
		19,692,915	23,552,175
Current liabilities			
Accounts payable		1,976,041	109,575
Provisions, accruals & other liabilities	11	214,921	70,696
Amount due to related parties	12	3,605,798	1,563,818
Finance lease	10	3,859,260	3,676,475
		9,656,020	5,420,564
Total liabilities		**29,348,935**	**28,972,739**
Total equity & liabilities		**38,357,193**	**40,435,118**

The attached note nos. 1 - 20 and schedule no. 1 form an integral part of these financial statements.
Auditor's report is on page nos. 3 - 5. The director has approved & authorized the issuance of these financial statements on April 28, 2023.

For Aashna Maritime Inc.

Pranav Vora
Director

AASHNA MARITIME INC. PANAMA

Kothari
auditors & accountants

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Aashna Maritime Inc.

Panama City, Republic of Panama

Statement of Comprehensive Income for the year ended March 31, 2023

Particulars	Note no.	2022-23 USD	2021-22 USD
Revenue	13	7,921,354	8,819,000
Direct costs	14	(8,354,031)	(4,614,521)
Gross (loss)/profit		(432,677)	4,204,479
Marketing costs	15	(3,465)	(5,370)
Administrative costs	16	(87,760)	(78,615)
Finance costs	17	(1,925,425)	(1,137,864)
Other expenses	18	(4,794)	(15,420)
Net (loss)/profit for the year		**(2,454,121)**	**2,967,210**

The attached note nos. 1 - 20 and schedule no. 1 form an integral part of these financial statements.
Auditor's report is on page nos. 3 - 5. The director has approved & authorized the issuance of these financial statements on April 28, 2023.

For Aashna Maritime Inc.

Pranav Vora
Director

AASHNA MARITIME INC. PANAMA

Aashna Maritime Inc.
Panama City, Republic of Panama

Statement of Changes in Equity for the year ended March 31, 2023

USD

Particulars	Share capital	Retained earnings	Total
Balance at March 31, 2021	1,000	20,294,169	20,295,169
Net profit for the year	-	2,967,210	2,967,210
Share buyback adjustments	(400)	(11,799,600)	(11,800,000)
Net movements	-	-	-
Balance at March 31, 2022	**600**	**11,461,779**	**11,462,379**
Net (loss) for the year	-	(2,454,121)	(2,454,121)
Net movements	-	-	-
Balance at March 31, 2023	**600**	**9,007,658**	**9,008,258**

The attached note nos. 1 - 20 and schedule no. 1 form an integral part of these financial statements.
Auditor's report is on page nos. 3 - 5.

Aashna Maritime Inc.

Panama City, Republic of Panama

Statement of Cash Flows for the year ended March 31, 2023

Particulars	Note no.	2022-23 USD	2021-22 USD
Cash flows from operating activities			
Net (loss)/profit for the year		(2,454,121)	2,967,210
Adjustments for:			
Depreciation on property, plant & equipment		2,186,195	2,186,195
Finance costs		1,925,425	1,137,864
Operating cash flows before changes in working capital		1,657,499	6,291,269
Working capital changes:			
Movement in inventories		40,068	(105,916)
Movement in deposits, prepayments & advances		94,474	(100,372)
Movement in accounts payable		1,866,466	47,630
Movement in provisions, accruals & other liabilities		144,225	(2,480)
Net cash generated from operating activities		**3,802,732**	**6,130,131**
Cash flows from financing activities:			
Consideration paid on share buyback		-	(11,800,000)
Movement in finance lease		(3,676,475)	15,270,406
Finance costs		(1,925,425)	(1,137,864)
Movement in amount due to related parties		2,041,980	(8,473,826)
Net cash (used in) financing activities		**(3,559,920)**	**(6,141,284)**
Net movement in cash & cash equivalents		242,812	(11,153)
Cash & cash equivalents at beginning of the year		17,732	28,885
Cash & cash equivalents at end of the year	7	**260,544**	**17,732**

The attached note nos. 1 - 20 and schedule no. 1 form an integral part of these financial statements.
Auditor's report is on page nos. 3 - 5.

Aashna Maritime Inc.
Panama City, Republic of Panama
Notes to the Financial Statements for the year ended March 31, 2023

1. Legal status and activity:

Aashna Maritime Inc. is incorporated and registered in Panama City, Republic of Panama under Microjacket no. 732253 and Documents no. 1953704 of the Mercantile Section of Public Registry Office under Public Deed no. 7919 dated April 07, 2011.

M/s Adani Shipping Pte. Ltd., a private company limited by shares registered in Singapore under ACRA (Accounting & Corporate Regulatory Authority) and having registration no. 200614235E is the sole shareholder of the Company holding share capital of USD 600/- (30 shares of USD 20/- each). The registered address of M/s Adani Shipping Pte. Ltd. is 3 Anson Road, #22-01, Springleaf Tower, Singapore 079909.

The Company is a wholly owned subsidiary of M/s Adani Shipping Pte. Ltd., incorporated in Singapore. The ultimate parent company is M/s Adani Enterprise Limited, a company incorporated in India having company identification no. L51100GJ1993PLC019067 and registered address at Adani Corporate House, Shantigram Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad, Gujarat 382421.

During previous year, the shareholder of the Company had vide resolution passed at its meeting held on September 10, 2021 resolved to initiate the buyback of 20 shares, out of 50 shares (ie. 40% of the issued & paid up share capital) of the Company from the existing shareholder. The Company had appointed an independent third party to carry out the valuation of the share of the Company.

The sole member of the Company and the Board of Directors of the Company also had passed multiple resolutions on September 10, 2021, approving the share buyback, value of shares at which the buyback shall happen (USD 590,000/- per share, including a premium of USD 589,980/- per share) and also resolved that the Company's reserves & surplus cash would be utilized to settle the amount of buyback (ie. USD 11,800,000/-) and make payment to shareholder.

Subsequent to the buyback of shares, the Company's revised issued & paid up share capital of USD 600/- (divided into 30 shares of USD 20/- each) which was the revised capital at the previous reporting date.

The principal place of business is Aquilino de la Guardia Street, Ocean Business Plaza Building, Floor 23, Suite 23-01, Panama City, Republic of Panama and registered address of the Company is Post Box 0823-02435.

The Company is incorporated to engage in any lawful act or activity which not prohibited under the jurisdiction of Republic of Panama and the Company has been incorporated as a special purpose vehicle for providing shipping and logistics services primarily to its shareholder and the shareholder's group. The Company was principally engaged in the activity of being a bareboat owner & charterer and shipping agent during the year under review.

The day to day operations of the Company are being handled by Mr. Pranav Vora, U.S. national, who is appointed as the director of the Company.

2. Basis of preparation:

2.1. Statement of compliance:

These financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs), issued by the International Accounting Standards Board (IASB).

2.2. Basis of measurement:

These financial statements have been prepared under the going concern assumption and historical cost convention.

2.3. Basis of accounting and coverage:

The Company follows the accrual basis of accounting except for statement of cash flows which is presented on cash basis. Under the accrual basis, the transactions and events are recognized as and when they occur and are recorded in the financial statements for the period to which they relate to.

The financial statements enclosed cover the period from April 01, 2022 to March 31, 2023. Previous year figures are for the period from April 01, 2021 to March 31, 2022 and have been regrouped where necessary.

2.4. Functional & presentation currency:

The financial statements are presented in United States Dollar (USD), which is also the Company's functional currency. All financial information presented in USD has been rounded off to the nearest U.S. Dollars.

2.5. Use of estimates & judgments:

The preparation of financial statements in conformity with IFRS for SMEs requires management to make estimates, judgments and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected & same are mentioned under respective accounting policy note.

The following accounting estimates and management judgments which are material in nature, have been considered, in the preparation of financial statements.

- Useful lives of property, plant & equipment:

Company's management estimates the useful life of property, plant & equipment & residual value for calculating depreciation. It reviews the estimated life & residual value on annual basis & future depreciation expense would be adjusted where the management believes that useful life differs from the previous estimates.

The useful life of the vessel is as determined by the management of the Company. The management has estimated the useful life of the vessel as at reporting date as 25 years.

The Company's management has estimated the residual value of USD 6,072,763/- being 10% of the original cost of its vessel at the end of its estimated useful life. Any changes in residual value estimation would have effect on depreciation expense. During the year under review, the Company has not made any revision in the residual value and hence would not effect current year depreciation.

- Impairment of property, plant & equipment:

The Company has not carried any independent third party valuation of its vessel, as at reporting date. However the management, based on the current chartering rates & the replacement cost of the similar vessel, estimates that the net realisable value of the vessel exceeds the carrying value & hence impairment is not required.

- **Exercising of purchase option:**
  The Company has, vide addendum to Bareboat Charter, dated April 28, 2021, an option to purchase the vessel, either on September 30, 2026 or September 30, 2028 against a pre-determined price. The Company estimates that it shall fully settle all outstanding dues to the vessel owner and shall exercise the purchase option available as at September 30, 2028. However, as estimated by the management, the extension of charter expiry date does not have any impact on the original estimated salvage value & useful life of the vessel.

- **Impairment of inventories:**
  Inventories are subjected to ageing & impairment test on a periodical basis by management on damaged, obsolete and slow moving inventories. These reviews require judgments and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. Management estimates that no reserve of impairment of inventories is required to be created against the inventories.

3. Summary of significant accounting policies:

The following accounting policies have been consistently applied by the management in preparation of the financial statements except where stated here under:

3.1. Current and non-current classification:

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:
Expected to be realized or intended to be sold or consumed in normal operating cycle.
Held primarily for the purpose of trading.
Expected to be realized within twelve months after the reporting period.
Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
It is expected to be settled in normal operating cycle.
It is held primarily for the purpose of trading.
It is due to be settled within twelve months after the reporting period.
There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

3.2. Property, plant & equipment:

Property, plant & equipment (Vessel), is carried at their cost of acquisition including any incidental expenses related to acquisition or installation, less accumulated depreciation and accumulated impairment loss. Depreciation has been provided on straight line method over the estimated useful lives after reducing the residual value from the cost of acquisition, as determined by the management.

Property, plant & equipment are, at the reporting date, subject to impairment. Where any indication of impairment exists, the carrying amount is written down to its recoverable amount.

The management's estimate of useful life of various assets is as follows:

Vessel	25 years

The residual values, useful lives and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefit from these assets, and adjusted prospectively, if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than its estimated recoverable amount.

Maintenance and repairs are charged to expenses as incurred and renewals and improvements, which extend the life of the asset, are capitalized and depreciated over the remaining life of the asset.

The gain or loss arising on the disposal or retirement of an item of property, plant & equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income.

A decline in the value of property, plant & equipment could have a significant effect on the amounts recognised in these financial statements. Management assesses the impairment of property, plant & equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Factors that are considered important which could trigger an impairment review include the following:
- significant changes in the technology and regulatory environments.
- evidence from internal reporting which indicates that the economic performance of the asset is, or will be, worse than expected.

3.3. Inventories:

Inventories are carried at the lower of cost or net realizable value (estimated selling price less cost to complete and selling expenses). Cost includes aggregate of purchase price, including applicable cost to bring the inventory to the present condition, valued at 'first-in-first-out' method.

Any excess of carrying amount, over the net realizable value is charged immediately as impairment loss through statement of comprehensive income. Inventory items, are netted off after giving effect of losses out of consumption.

3.4. Financial instruments:

The Company recognizes a financial instrument (being a financial asset or financial liability) only when the Company becomes a part of the contractual provisions of the instrument.

Accounting policy relevant to each type of financial instrument is as follows:

Cash & cash equivalents:

Cash and cash equivalents for the purpose of statement of cash flows comprises balance with banks in current account.

Accounts payable:

Accounts payable represent obligations towards purchase of goods in the ordinary course of business. Same is free of interest & payable at the end of credit period granted by the suppliers. Accounts payable are recognized initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method.

Other financial assets:
Other financial assets are recognised initially at transaction value and subsequently measured at amortised cost using the effective interest method less impairment. However, all other financial assets have a value on realization in the ordinary course of the Company's business, which is at least equal to the amount at which they are stated in the statement of financial position.

Other financial liabilities:
Other financial liabilities, including borrowings, are initially measured at transaction value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

A financial asset (or where applicable a part of a financial asset or a part of group of similar financial assets) is de-recognised either when:
- the rights to receive cash flows from the asset have expired or
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset.

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

Financial assets and financial liabilities are only offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and the Company intends to settle on a net basis.

3.5. Impairment of non-financial assets:
At each reporting date, the Company reviews the carrying amounts of its non-financial assets, 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 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.

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 (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

3.6. Impairment of financial assets:

An assessment is made at each reporting date to determine whether there is objective evidence that a specific financial asset may be impaired. A financial asset or a group of financial assets is deemed to be impaired if and only if there is objective evidence of impairment as a result of one or more events that has occured after the initial recognition of asset (an incurred "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial assets or the group of financial assets that can be reliably estimated.

If such evidence exists, any impairment loss is recognised in the statement of comprehensive income. Impairment is determined as follows.

- For assets carried at fair value, impairment is the difference between the cost and fair value less any impairment loss previously recognised in the statement of comprehensive income.
- For assets carried at cost, impairment is the difference between the carrying amount and the present value of future cash flows discounted at the current market rate of return for a similar asset.
- For assets carried at amortized cost, impairment is the difference between carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the financial asset no longer exist or have decreased and the decrease can be related objectively to an event occuring after the impairment was recognised.

3.7. Leases:

Leases are classified as finance leases when substantially all risks and rewards of ownership are transferred to the lessee. All other leases are operating leases.

Finance lease:

The vessel taken on finance lease is capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and interest cost, so as to obtain a constant periodic rate of interest on outstanding liability for each period.

Assets held under finance leases are included in property, plant & equipment, depreciated and are subject to impairment.

The Company had entered into a bareboat charter, where in the Company has taken the vessel on hire for an initial period of 10 years, with an option to purchase the vessel at the end of the term, which the Company was most likely to excercise.

The Owner of the vessel has, whilst granting further credit has also extended the charter expiration date from June 2022 to September 2028, granting the purchase options and the Company is most likely to excercise the charter expiration term ending purchase option, when the title in the vessel would get transferred to the Company. Hence this arrangement is treated as a finance lease and terms are used interchangeably.

3.8. Provisions & contingencies:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of economic benefits would be required to settle these obligations, and a reliable estimate of the same can be made.

Contingent liabilities are not recognized but are disclosed in the notes to financial statements. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When likelihood of outflow is remote, no provision or disclosure is made.

3.9. Revenue recognition:

Revenue is recognized when it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at fair value of consideration received or receivable, excluding discounts, rebates & duties.

Hire income:

Revenue from hire income represents income from ship charter, demurrage and other related services income. Chartering revenue is recognised evenly over the lives of the time charter agreements and demurrage and other related service income is recognised when the right to receive is established.

The Company has, as a bareboat owner, entered into Time Charter Agreement on August 20, 2021, to charter the vessel for a term of 3 years, extendable by further 6 months, with extended term ending on February 28, 2025.

3.10. Expenditure:

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities. Expenses are presented in the statement of comprehensive income, classified according to the function of expense.

3.11. Foreign currencies transactions:

Transactions in foreign currency, if any, are converted into functional currency at prevailing exchange rate on the date such transactions are entered into.

Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies which are stated at historical cost or fair value, are translated into functional currency at the exchange rates prevailing on the date of such transaction or the date of determination of fair value respectively.

Resultant loss or gain has been recognized in the statement of comprehensive income, in the year in which such assets are realized or liabilities are discharged.

4. Other significant disclosures:

4.1. Related party transactions:

The Company enters into transactions with another company, and person that fall within the definition of a related party as per the International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs).

The terms of trade with such related parties are based on commercial terms & conditions agreed upon with them by the management.

Related parties with whom the Company had entered into transactions during the year under review comprise of the shareholder, co-subsidiary companies, group companies and director as stated hereunder:

Name of the related parties	Control	Relation
M/s Adani Enterprise Limited, India	100% control	Ultimate parent company
M/s Adani Shipping Pte. Ltd., Singapore	100% control	Parent company
M/s Adani Shipping (India) Pvt. Ltd., India	Common control	Group company
Mr. Pranav Vora	Director	Key management personnel

During the year under review, following transactions were entered into with related parties:

Nature of transactions	2022-23 USD	2021-22 USD
Revenue:		
- Revenue from parent company	7,921,354	8,819,000
Direct cost:		
- Brokerage & commission expenses charged by parent company	297,051	330,713
Other transactions:		
- Vessel management fees charged by group company	120,000	120,000

Amount due to related parties:
Amount due to related parties are free of interest.

4.2. Financial, capital risk management & fair value information:

a. Credit, liquidity & market rate risk:

Credit risk:
Credit risk is the risk of financial loss to the Company if a customer or counter-party to a financial instrument fails to meet its contractual obligations.

The Company's cash is placed with banks of repute.

Liquidity risk:
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when it falls due.

The Company's current liabilities exceed its current assets as at the reporting date indicating negative working capital. Despite this, the management has reviewed the Company's forecasted revenue, cash flows and cost structures and has concluded that liquid funds will be available to settle the liabilities when they become due and further, the shareholder has confirmed that necessary financial assistance will be provided as and when required.

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Panama City, Republic of Panama

Notes to the Financial Statements for the year ended March 31, 2023 (continued)

The table below summarises the maturity profile of the Company's financial liabilities on contractual undiscounted payments.

Financial liabilities as on March 31, 2023	Less than 6 months	6 months to 1 year	More than 1 year	Total USD
Accounts payable	1,976,041	-	-	1,976,041
Provisions, accruals & other liabilities	214,921	-	-	214,921
Amount due to related parties	3,605,798	-	-	3,605,798
Finance lease	2,005,012	1,854,248	19,692,915	23,552,175
Total	7,801,772	1,854,248	19,692,915	29,348,935

Financial liabilities as on March 31, 2022	Less than 6 months	6 months to 1 year	More than 1 year	Total USD
Accounts payable	109,575	-	-	109,575
Provisions, accruals & other liabilities	70,696	-	-	70,696
Amount due to related parties	1,563,818	-	-	1,563,818
Finance lease	1,822,227	1,854,248	23,552,175	27,228,650
Total	3,566,316	1,854,248	23,552,175	28,972,739

Market risk:

Market risk is the risk that changes in market prices, such as investment prices, interest rates and currency rates will affect the Company's income of the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

- Interest rate risk:

Interest rate risk is the risk of variability in profit due to change in interest rates on interest bearing assets and interest bearing liabilities.

Finance lease carries effective rate of interest @ 4.60% p.a. (previous year @ 4.60% p.a.).

- Currency risk:

Currency risk faced by the Company is minimal as there are minimal foreign currency transactions. Most of the monetary assets and liabilities are denominated in United States Dollar (USD).

However, the Company is exposed to following foreign currency risk:

	2022-23	2021-22
Liabilities denominated in JPY	1,610,970	1,551,697
Liabilities denominated in INR	32,653	30,992
Liabilities denominated in SGD	17,959	34,800
Liabilities denominated in CHF	102,159	-
Assets denominated in SGD	-	8,853
Assets denominated in AED	3,275	-

Any fluctuation in the above currency would affect the profitability & consequently the equity to that extent.

Aashna Maritime Inc.
Panama City, Republic of Panama

Notes to the Financial Statements for the year ended March 31, 2023 (continued)

b. Capital management:

The Company's policy is to maintain a strong capital base so as to maintain lender and creditor confidence and to sustain future development of the business. The Company is not subject to externally imposed capital restrictions except maintaining paid up share capital.

c. Fair value information:

Fair value represents the amount at which an asset could be exchanged or a liability settled in an arm's length transaction, between willing & knowledgeable parties. In respect of all the Company's financial assets viz cash & bank balances, receivables, advances, deposits, accrued income and liabilities viz dues to banks, payables, accruals and other non-current liabilities, in the opinion of the management, the book value approximates to their carrying value.

5. Inventories:

	2023	2022
	USD	USD
Stores & consumables	163,505	203,573
	163,505	203,573

Inventories comprising of lubricants & other consumable items, is based on the declaration of vessel's master and management certifies that the same is net of any loss arising out of impairment.

6. Deposits, prepayments & advances:

	2023	2022
	USD	USD
Deposits	2,400	2,400
Prepayments	25,163	37,660
Advance to suppliers	106,043	188,020
	133,606	228,080

7. Cash & bank balances/Cash & cash equivalents:

	2023	2022
	USD	USD
Balance with bank in current account	260,544	17,732
	260,544	17,732

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Notes to the Financial Statements for the year ended March 31, 2023 (continued)

8. Share capital:

	2023	2022
	USD	USD
Share capital	600	600
	600	600

Share capital comprises of 30 fully paid up equity shares of USD 20/- each (previous year 30 fully paid up equity shares of USD 20/- each).

The Company had, during the previous year, carried out share buyback and hence the paid up share capital was reduced from USD 1,000/- (being 50 shares of USD 20/- each) to USD 600/- (being 30 shares of USD 20/- each). (Refer note no. 1 & page no. 10).

9. Reserves & surplus:

	2023	2022
	USD	USD
Retained earnings	9,007,658	11,461,779
	9,007,658	11,461,779

The Company had, during the previous year, the Company had carried out share buyback and the balance in retained earnings was utilized for the premium in buyback price (being 20 shares @ USD 589,980/- per share premium, totalling to USD 11,799,600/-). (Refer note no. 1 & page no. 10).

10. Finance lease:
Vessel

	2023	2022
	USD	USD
Due in next 1 year	4,879,512	4,866,180
Due after 1 year but before 5 years	19,478,052	19,478,052
Due after 5 years	2,437,892	7,317,404
	26,795,456	31,661,636
Less: Future finance charges	(3,243,281)	(4,432,986)
Closing balance	23,552,175	27,228,650
Due within one year	3,859,260	3,676,475
Due after one year	19,692,915	23,552,175
	23,552,175	27,228,650

The Company entered into "Barecon 2001" Standard Bareboat Charter in respect of the motor vessel for an initial period of ten years starting from June 2012.

The Owner of the Vessel, M/s Amigo Maritime Pvt. Inc., has granted further credit (along with current loan outstanding) to the Company, totalling to an amount of USD 29,000,000/-, vide addendum to Bareboat Charter, dated April 28, 2021.

The Company had received additional funding, in return of Company foregoing its right to exercise the purchase option erstwhile available on September 30, 2021.

The additional funding would be settled by the Company in quarterly installments, based on pre-determined payment schedule as per referred agreement.

The Owner of the Vessel, had also extended the charter expiration date to September 30, 2028 (from earlier September 30, 2022) and granting the Company option to purchase the vessel, either on September 30, 2026 or September 30, 2028 against a pre-determined price. The title in the vessel would get transferred to the Company at the end of charter expiration date (i.e. September 30, 2028) since the Company is quiet certain to settle all outstanding dues & exercise the purchase option.

11. Provisions, accruals & other liabilities:

	2023	2022
	USD	USD
Accrued expenses	214,921	70,696
	214,921	70,696

12. Amount due to related parties:

	2023	2022
	USD	USD
Due to group company	-	17,409
Due to parent company	3,605,798	1,546,409
	3,605,798	1,563,818

Amount due to related parties are free of interest.

13. Revenue:

	2022-23	2021-22
	USD	USD
Charter hire income	7,921,354	8,819,000
	7,921,354	8,819,000

Aashna Maritime Inc.
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Notes to the Financial Statements for the year ended March 31, 2023 (continued)

14. Direct costs:

	2022-23	2021-22
	USD	USD
Crew charges & other benefits	917,543	870,150
Repairs & maintenance	2,177,767	130,409
Insurance expenses	243,926	219,299
Brokerage & commission expenses	297,051	330,713
Consumables	2,248,646	553,076
Vessel management fees	120,000	120,000
Other direct expenses	162,903	204,679
Depreciation on property, plant & equipment	2,186,195	2,186,195
	8,354,031	4,614,521

15. Marketing costs:

	2022-23	2021-22
	USD	USD
Advertisement & business promotion expenses	3,465	5,370
	3,465	5,370

16. Administrative costs:

	2022-23	2021-22
	USD	USD
Communication expenses	16,646	13,202
Travelling & conveyance expenses	22,715	14,708
Bank charges	12,200	13,248
Office & other expenses	36,199	37,457
	87,760	78,615

17. Finance costs:

	2022-23	2021-22
	USD	USD
Interest on finance lease	1,925,425	1,076,928
Other finance expenses	-	60,936
	1,925,425	1,137,864

18. Other expenses:

	2022-23	2021-22
	USD	USD
Foreign exchange loss - net	4,794	15,420
	4,794	15,420

19. Contingent liabilities:

Except for the ongoing business commitments against which the Company expects no losses, there were no liabilities of contingent nature or on capital account outstanding as on reporting date.

20. Events occurring after the reporting date:

There were no significant events occurring after the reporting date that would materially affect the working or the financial statements of the Company.

Kothari
auditors & accountants

Aashna Maritime Inc.

Panama City, Republic of Panama

Schedule to the Financial Statements for the year ended March 31, 2023

Schedule 1 - Property, plant & equipment:

Particulars	Vessel	USD Total
Cost:		
As at March 31, 2022	60,727,630	60,727,630
Additions	-	-
As at March 31, 2023	60,727,630	60,727,630
Accumulated depreciation:		
As at March 31, 2022	(20,741,897)	(20,741,897)
For the year	(2,186,195)	(2,186,195)
As at March 31, 2023	(22,928,092)	(22,928,092)
Net value- March 31, 2023	**37,799,538**	**37,799,538**
Net value- March 31, 2022	**39,985,733**	**39,985,733**

Vessel stated above represents capitalised value of finance lease of one 180,000 DWT (93,693 gross tonnage) bulk carrier vessel hull no. PN-074, built by HHIC-PHIL Inc., Philippines registered under the name 'Aashna' (MV) with Republic of Panama having IMO no. 9592458.

Said vessel is being operated by the Company under Bareboat Charter agreement with Amigo maritime Inc. with an option to purchase the vessel as stated in note no. 10. Accordingly, value of said vessel is capitalized as fixed asset in the books of the Company. This vessel is insured adequately through a marine hull package insurance policy throughout the period.

Amigo maritime Inc. has taken said Vessel under Bareboat Charter agreement with Gaia Line Shipping S.A. as the registered owner of the Vessel as per 'Navigation Statutory Registry' issued by Panama Maritime Authority with an option to purchase the Vessel.

Though the title of ownership of this vessel is with registered owner, as per the Bareboat Charter agreement dated April 28, 2011 and as per addendum April 28, 2021 with the Amigo maritime Inc. (which has similar agreement with the registered owner of the vessel), the Company has an option to purchase this vessel at the end of 16th year of hire period. This vessel is under mortgage to 'Mizuho Bank Ltd., Japan' against banking loan obtained by Gaia Line Shipping S.A

Company does not anticipate any default by Gaia Line Shipping S.A. & resultant losses since Bareboat Charter agreement with option to purchase vessel is in existence between Gaia Line Shipping S.A. and Amigo maritime Inc. as well as Amigo maritime Inc. and the Company.

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