Walker Chandiok & Co LLP

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Independent Auditor's Report

To the Members of Subarnarekha Port Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Subarnarekha Port Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 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 financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Independent Auditor's Report of even date to the members of Subarnarekha Port Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   The Directors' Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

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

6. In preparing the 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.

7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 Standards on Auditing 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.

9. As part of an audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' 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; and

- 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.

10. 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

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. Further to our comments in Annexure A, as required by Section 143(3) of the Act, based on our audit, we report to the extent applicable, 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 purpose of our audit of the accompanying financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    c) The financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as at 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act;

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f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 13(b) above on reporting under section 143(3)(b) of the Act and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as at 31 March 2024 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigation which would impact its financial position as at 31 March 2024;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;

iv.

a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 34 (v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 34 (vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (iv)(a) and (iv)(b) above contain any material misstatement

v. The Company has not declared or paid any dividend during the year ended 31 March 2024; and

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Independent Auditor's Report of even date to the members of Subarnarekha Port Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

vi. As stated in note 35 to the financial statements and based on our examination which included test checks, except for instance mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below:

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software SAP to log any direct data changes, used for maintenance of all accounting records by the Company.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Puneet Agarwal
Partner
Membership No.: 064824

UDIN: 24064824BKGUXK7592
Place: Kolkata
Date: 24 April 2024

Annexure A to the Independent Auditor's Report of even date to the members of Subarnarekha Port Private Limited, on the financial statements for the year ended 31 March 2024

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Subarnarekha Port Private Limited on the financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a)(A)The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B)The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its property, plant and equipment (including Right of Use assets) or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under Section 185 of the Act. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of Section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 of the Act in respect of investments, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A to the Independent Auditor's Report of even date to the members of Subarnarekha Port Private Limited, on the financial statements for the year ended 31 March 2024 (cont'd)

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof 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 explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes except for loans amounting to ₹ 1,521.39 lakhs which has been utilised for construction of property plant and equipment (capital work in progress).

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

Annexure A to the Independent Auditor's Report of even date to the members of Subarnarekha Port Private Limited, on the financial statements for the year ended 31 March 2024 (cont'd)

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year,

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under Section 133 of the Act.

(xiv) (a) According to the information and explanations given to us, the Company is not required to have an internal audit system as per the provisions of section 138 of the Act. However, the Company has an internal audit system which, in our opinion, is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of Section 192 of the Act are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has seven CICs as part of the Group.

(xvii) The Company has incurred cash losses in the current and immediately preceding financial years amounting to ₹ 838.46 lakhs and ₹ 844.92 lakhs respectively.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

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Annexure A to the Independent Auditor's Report of even date to the members of Subarnarekha Port Private Limited, on the financial statements for the year ended 31 March 2024 (cont'd)

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management as described in note 33(e) to the financial statements and based on our examination of the evidence supporting the assumptions nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly, reporting under clause 3(xx) of the Order is 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 of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Puneet Agarwal
Partner
Membership No.: 064824

UDIN No: 24064824BKGUXK7592

Place: Kolkata
Date: 24 April 2024

Annexure B to the Independent Auditor's Report of even date to the members of Subarnarekha Port Private Limited on the financial statements for the year ended 31 March 2024

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Subarnarekha Port Private Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to 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'). 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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Annexure B to the Independent Auditor's Report of even date to the members of Subarnarekha Port Private Limited on the financial statements for the year ended 31 March 2022 (cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to 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.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Puneet Agarwal
Partner
Membership No.: 064824

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

UDIN: 24064824BKGUXK7592

Place: Kolkata
Date: 24 April 2024

Walker Chandiok & Co LLP

Financial Statements and Auditors' Report

Subarnarekha Port Private Limited

31 March 2024

Subarnarekha Port Private Limited
Balance Sheet as on 31 March 2024
(All amounts in ₹ Lakhs, unless otherwise stated)

Assets	'Notes	As at 31 March 2024	As at 31 March 2023
Non-current assets			
Property, plant and equipment	3 (a)	60.62	50.73
Right of use assets	3 (b)	2,245.64	2,363.92
Capital work in progress	3 (c)	16,643.98	14,208.55
Other intangible assets	4	53.52	75.89
Intangible assets under development	5	-	-
Other financials assets	11 (a)	8,348.88	7,869.50
Deferred tax assets (net)	6	-	-
Non-current tax asset (net)	7 (a)	0.51	0.49
Other non-current assets	8	1,381.12	997.83
Total non-current assets		**28,734.27**	**25,566.91**
Current assets			
Financial assets			
(i) Investments	9	713.90	1,234.20
(ii) Cash and cash equivalents	10 (a)	31.74	35.49
(iii) Bank balances other than (ii) before	10 (b)	105.00	100.00
(iv) Other financial assets	11 (b)	8.46	14.94
Current tax assets (net)	7 (b)	-	0.49
Other current assets	12	0.20	34.48
Total current assets		**859.30**	**1,419.60**
Total assets		**29,593.57**	**26,986.51**
Equity and liabilities			
Equity			
Equity share capital	13	1,091.99	1,091.99
Other equity	14	20,536.19	21,454.24
Total equity		**21,628.18**	**22,546.23**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	15 (a)	2,681.51	2,683.76
Provisions	16 (a)	19.78	13.62
Total non-current liabilities		**2,701.29**	**2,697.38**
Current liabilities			
Financial liabilities			
(i) Borrowings	17 (a)	3,155.49	-
(ii) Lease liabilities	15 (b)	278.85	258.27
(iii) Other financial liabilities	17 (b)	1,795.66	1,428.01
Other current liabilities	18	26.95	55.20
Provisions	16 (b)	7.15	1.42
Total current liabilities		**5,264.10**	**1,742.90**
Total liabilities		**7,965.39**	**4,440.28**
Total equity and liabilities		**29,593.57**	**26,986.51**

The accompanying notes 1 to 37 form an integral part of these Financial Statements
This is the Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Puneet Agarwal
Partner
Membership No. 064824

Place: Kolkata
Date: 24 April 2024

For and on behalf of the **Board of Directors of Subarnarekha Port Private Limited**

Peeyush Gupta
Chairman
DIN: 02840511

Place: Bhubaneswar
Date: 24 April 2024

Sushanta Kumar Mishra
Executive Director
DIN: 05293418

Place: Bhubaneswar
Date: 24 April 2024

Ramani Ramaswamy
Executive Director
DIN: 01070365

Place: Bhubaneswar
Date: 24 April 2024

Jyoti Prakash
Chief Financial Officer
PAN: ABWPP7481M

Place: Bhubaneswar
Date: 24 April 2024

Tanmay Kumar Sahu
Company Secretary
Membership No. F4872

Place: Bhubaneswar
Date: 24 April 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SUBARNAREKHA PORT PRIVATE LTD. * BHUBANESWAR

Subarnarekha Port Private Limited
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Other income	19	25.80	193.31
Total income		**25.80**	**193.31**
Expenses			
Employee benefits expense	20	160.30	114.89
Depreciation and amortisation expenses	21	81.78	58.94
Finance costs	22	11.64	4.91
Other expenses	23	690.69	854.43
Total expenses		**944.41**	**1,033.17**
Loss before tax		**(918.61)**	**(839.86)**
Tax expenses			
Deferred tax	24	-	120.98
		-	**120.98**
Loss after tax		**(918.61)**	**(960.84)**
Other comprehensive income:			
(a) Items that will not be reclassified to profit or (loss) (net of tax)		0.56	1.10
(b) Items that will be reclassified to profit or (loss) (net of tax)		-	-
Total other comprehensive income		**0.56**	**1.10**
Total comprehensive loss		**(918.05)**	**(959.74)**
Earnings per equity share			
Basic and diluted earnings per share (₹)	25	(8.41)	(8.85)

The accompanying notes 1 to 37 form an integral part of these Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Puneet Agarwal
Partner
Membership No. 064824

Place: Kolkata
Date: 24 April 2024

For and on behalf of the **Board of Directors of Subarnarekha Port Private Limited**

Peeyush Gupta
Chairman
DIN: 02840511

Place: Bhubaneswar
Date: 24 April 2024

Sushanta Kumar Mishra
Executive Director
DIN: 05293418

Place: Bhubaneswar
Date: 24 April 2024

Ramani Ramaswamy
Executive Director
DIN: 01070365

Place: Bhubaneswar
Date: 24 April 2024

Jyoti Prakash
Chief Financial Officer
PAN: ABWPP7481M

Place: Bhubaneswar
Date: 24 April 2024

Tanmay Kumar Sahu
Company Secretary
Membership No. F4872

Place: Bhubaneswar
Date: 24 April 2024

SUBARNAREKHA PORT PRIVATE LTD. * BHUBANESWAR

Subarnarekha Port Private Limited
Statement of Cash Flow for the year ended 31 March 2024
(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended 31 March 2024	Year ended 31 March 2023
A. Cash flow from operating activities:			
Loss before tax		**(918.61)**	**(839.86)**
Adjustment for:			
Depreciation and amortisation expenses		81.78	58.94
Unwinding of discount relating to financial asset carried at amortized cost		(1.63)	(0.52)
Finance costs		11.64	4.91
Profit on sale of property,plant and equipment		(0.05)	-
Interest income on income tax refund		(0.24)	-
Interest income from bank deposits		(6.40)	(6.29)
Profit on sale of mutual fund		(16.93)	(121.92)
Fair value gain on mutual fund		-	(64.58)
Operating loss before changes in assets and liabilities		**(850.44)**	**(969.32)**
Operating assets and liabilities adjustments:			
(Increase) in other assets		(366.49)	(592.49)
Decrease / (Increase) in other financial assets		7.26	(17.28)
(Decrease) / Increase in other current liabilities		(28.25)	28.87
Increase in provisions		12.45	5.83
Cash used in from operations		**(1,225.47)**	**(1,544.39)**
Income taxes paid (net of refunds)		0.71	1.82
Net cash used in operating activities	**(A)**	**(1,224.76)**	**(1,542.57)**
B. Cash flow from investing activities			
Payment for purchase of property, plant and equipment and intangible assets		(28.99)	(70.21)
Construction of property plant and equipment (capital work in progress)		(1,595.70)	(2,164.11)
Proceeds from sale of property plant and equipment		0.05	-
Advance given for purchase of land		(477.75)	(2,809.99)
Investment in mutual funds		(3,630.00)	(5,074.75)
Proceeds from sale of mutual funds		4,211.05	6,742.56
Fixed deposits matured/(investment made) (net)		(5.00)	-
Interest income received		5.62	5.83
Net cash used in investing activities	**(B)**	**(1,520.72)**	**(3,370.67)**
C. Cash flow from financing activities			
Proceeds from issue of equity shares		-	4,799.99
Proceeds from Borrowings		3,000.00	-
Repayment of principal portion of lease liabilities		(40.91)	(11.74)
Interest paid on lease liabilities		(217.36)	(210.64)
Net cash generated from financing activities	**(C)**	**2,741.73**	**4,577.61**
Net (decrease) in cash and cash equivalents	**(A+B+C)**	**(3.75)**	**(335.63)**
Cash and cash equivalents as at the beginning of the year		35.49	371.12
Cash and cash equivalents as at the end of the year		**31.74**	**35.49**

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Subarnarekha Port Private Limited
Statement of Cash Flow for the year ended 31 March 2024
(All amounts in ₹ Lakhs, unless otherwise stated)

Notes

i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".

ii) Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financial activities are as under:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Borrowings-		
- Opening balance	-	-
- Received during the year	3,000.00	-
- Interest accrued during the year (net of TDS) (transferred to capital work in progress)	155.49	-
- Repayment made during the year	-	-
- Closing balance	3,155.49	-
Lease liabilities-		
- Opening balance	2,942.03	2,770.06
- Recognition of lease liabiltiy	-	128.99
- Interest accrued during the year	276.60	265.36
- Repayment made during the year	(258.27)	(222.38)
- Closing balance	2,960.36	2,942.03

iii) Cash and cash equivalents comprises of:

	As at 31 March 2024	As at 31 March 2023
Cash on hand	-	-
Balances with banks		
- In current accounts	31.74	35.49
	31.74	**35.49**

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Puneet Agarwal
Partner
Membership No. 064824

Place: Kolkata
Date: 24 April 2024

For and on behalf of the **Board of Directors of Subarnarekha Port Private Limited**

Peeyush Gupta
Chairman
DIN: 02840511

Place: Bhubaneswar
Date: 24 April 2024

Sushanta Kumar Mishra
Executive Director
DIN: 05293418

Place: Bhubaneswar
Date: 24 April 2024

Ramani Ramaswamy
Executive Director
DIN: 01070365

Place: Bhubaneswar
Date: 24 April 2024

Jyoti Prakash
Chief Financial Officer
PAN: ABWPP7481M

Place: Bhubaneswar
Date: 24 April 2024

Tanmay Kumar Sahu
Company Secretary
Membership No. F4872

Place: Bhubaneswar
Date: 24 April 2024

Subarnarekha Port Private Limited
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts in ₹ Lakhs, unless otherwise stated)

(A) Equity (Refer note 13)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Balance at the beginning of the year	1,09,19,928	1091.99	97,00,478	970.05
Changes in equity share capital during the year	-	-	12,19,450	121.95
Balance at the end of the year	**1,09,19,928**	**1,091.99**	**1,09,19,928**	**1,091.99**

(B) Other equity (Refer note 14)

Particulars	Reserves and surplus		Total
	Retained earnings	Securities premium	
As at 01 April 2022	**50.67**	**17,685.27**	**17,735.93**
Loss for the year	(960.84)	-	(960.84)
Other comprehensive income for the year	1.10	4,678.05	4,679.15
As at 31 March 2023	**(909.08)**	**22,363.32**	**21,454.24**
Loss for the year	(918.61)	-	(918.61)
Other comprehensive income for the year	0.56	-	0.56
As at 31 March 2024	**(1,827.13)**	**22,363.32**	**20,536.19**

This is the Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Puneet Agarwal
Partner
Membership No. 064824

Place: Kolkata
Date: 24 April 2024

For and on behalf of the **Board of Directors of Subarnarekha Port Private Limited**

Peeyush Gupta
Chairman
DIN: 02840511

Place: Bhubaneswar
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PAN: ABWPP7481M

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Date: 24 April 2024

Tanmay Kumar Sahu
Company Secretary
Membership No. F4872

Place: Bhubaneswar
Date: 24 April 2024

Subarnarekha Port Private Limited
Summary of notes forming part of the financial statements for the year ended 31 March 2024

1.1 Background

Subarnarekha Port Private Limited (CIN - U45203OR2008PTC010351) is a private company limited by shares, incorporated and domiciled in India with its registered office in Bhubaneswar, Orissa, India. The Company is a SPV (Special purpose vehicle) incorporated to adhere the terms of agreement entered by Creative Port Development Private Limited ("Holding Company") with the Odisha Government to develop the Subarnarekha Port in Odisha. On 18 September, 2018, Tata Steel Limited ("Ultimate Holding Company"), a public limited Company incorporated in India with its registered office in Mumbai, Maharashtra, India and listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE), acquired 91.74% stake in the Holding Company. The Company is a step down subsidiary of Tata Steel Limited.

The financial statements for the year ended 31 March 2024 were authorised by the Board of Directors on 24 April 2024.

1.2 Basis of preparation

(a) General information and statement of compliance with Indian Accounting Standards

These financial statements comprises of the balance sheet as at 31 March 2024, the statement of profit and loss (including other comprehensive income), cash flow statement, statement of changes in equity and a summary of material accounting policies and other explanatory notes (collectively the "financial statements").

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules 2015 as amended] and other relevant provisions of the Act.

(b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except investments that are measured at fair value

(c) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 31 March 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain Indian accounting standards (see below), and are effective 1 April 2023:

(i) Disclosure of accounting policies – amendments to Ind AS 1
(ii) Definition of accounting estimates – amendments to Ind AS 8
(iii) Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

(d) Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

(i) Estimation of current tax expense and current tax payable – refer note 2 (m)
(ii) Estimation of defined benefit obligation – refer note 2 (q)
(iii) Recognition of deferred tax assets for carried forward tax losses – refer note 2 (m)
(iv) Impairment of assets – refer note 2 (f)
(v) Determination of lease term and other estimates pertaining to leases - refer note 2 (k)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(e) Current versus non-current classification

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

An asset current when it is:
i) Expected to be realised or intended to be sold or consumed in normal operating cycle;
ii) Held primarily for the purpose of trading;
iii) Expected to be realised within twelve months after the reporting period; or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
Current assets include current portion of non-current financial assets.
All other assets are classified as non-current.

A liability is current when:
i) It is expected to be settled in normal operating cycle;
ii) It is held primarily for the purpose of trading;
iii) It is due to be settled within twelve months after the reporting period;
iv) There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
Current liabilities include current portion of non-current financial liabilities.
All other liabilities are classified as non-current.

Assets and liabilities are classified as current or non-current as per the Company's normal operating cycle. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

(f) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

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2 Material accounting policies

(a) Revenue recognition

Revenue from operations:

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. Revenue is recognized upon transfer of control of promised products or services to customers. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

As the Company is performing activities at the pre-operating stage there are no revenue from operations. Hence revenue recognition requirements of Ind AS 115 have not been applied

Interest income:

Interest income is calculated on an accrual basis by applying the effective interest rate to the gross carrying amount of a financial asset

(b) Property, plant and equipment

Property, plant and equipment is recognised at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

(c) Depreciation and amortisation of property, plant and equipment

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Computer	3 years
Furniture and fixtures	10 years
Vehicles	10 years
Office equipment	5 years

The Management estimates the useful lives of the assets as per the indicative useful life prescribed in Schedule II to the Companies Act, 2013

(d) Intangible assets

Recognition and initial measurement

Intangible assets (software) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortization)

The cost of computer software is amortized over a period of 5 years and other intangible assets are amortized over a period of 3 years from the date of its acquisition on a straight line basis.

(e) Capital work in progress

Recognition and initial measurement:

Capital assets under construction are classified as capital work in progress and carried at cost . The cost comprises all directly attributable costs, including borrowing cost if capitalization criteria are met, provided, future economic benefits are expected to be received from its use.

The Holding Company has entered into a contract with the Government of Orissa for construction, operation and maintenance of an all-weather multipurpose port, under the 'Build, Own, Operate, share & Transfer' model (BOOST) for which an SPV has been incorporated (Subsidiary Company). The construction period as per contract is 4 years post completion of acquisition of portland and access road required for the portland, and thereafter, the Company shall have exclusive operating and maintenance rights for 30 years (which is further extendable for a period of 20 years by mutual agreement). Till such time the construction of the port is complete, all directly attributable costs associated with construction of the port has been capitalized and shown as 'Capital Work in Progress'. Post completion of such construction, the Company would recognise 'Property, Plant and Equipments' in its books and the same would be depreciated over the remaining life of the concession arrangement in a manner which best represents the pattern of consumption of economic benefits arising from use of the asset.

(f) Impairment

At each balance sheet date, the Company reviews the carrying values of its assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. 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. An impairment loss is recognised in the Statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the Statement of profit and loss immediately.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SUBARNAREKHA PORT PRIVATE LTD. *

2 Material accounting policies (cont'd)

(g) Financial instruments

Investments and Financial assets

Classification:

The Company classifies its financial assets in the following measurement categories

i) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)

ii) Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition:

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sell the financial asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement:

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.
Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

i) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

ii) **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.

iii) **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Financial Liabilities

Financial liabilities at amortised Cost

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Financial liabilities at FVTPL

A financial liability 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 whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

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.

De-recognition of financial liabilities

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SUBARNAREKHA PORT PRIVATE LTD. *

2 Material accounting policies (cont'd)

(h) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(i) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get 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.

Other borrowing costs are expensed in the period in which they are incurred.

(j) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(k) Leases

The Company assesses at the inception of the contract whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the Company assesses whether the contract meets three key evaluations which are whether:
- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.
When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or statement of profit and loss if the right-of-use asset is already reduced to zero.

The Company has shown the right-of-use assets and lease liabilities on the face of statement of financial position.

(l) Provisions, contingent liabilities and contingent assets

Provisions:

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of such obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date. If the effect of time value of money is material i.e., the obligation is to be settled after a period of 12 months from the end of the reporting date, such provisions are discounted to reflect its present value using a pre-tax discounting rate that reflects the current market assessments of time value of money and risks specific to the obligation. When discounting is used, increase in the provision amount due to the passage of time is recognised as finance cost.

Contingent liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets:

Contingent assets are not recognised in the financial statements. However when there is a virtual certainty that an inflow of resources embodying economic benefits will arise from the contingent asset, such asset and the related income is recognised in the year in which the changes occurred.

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SUBARNAREKHA PORT PRIVATE LTD.

2 Material accounting policies (cont'd)

(m) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss) and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(n) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. 'Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. As per requirements of Ind AS 108, 'Segment Reporting', no disclosures are required to be made since the Company's activities consists of a single business segment of construction, operating and maintenance of port services.

(o) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted in these financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(p) Earnings per share

Basic earnings per share is computed by dividing the net loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events that have changed the number of outstanding equity shares, without a corresponding change in the resources.

For the purpose of calculating diluted earnings per equity share, net profit/ loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares, except when the result of such an adjustment would be anti-dilutive.

(q) Employee benefits

Defined contribution plan

The Company's contribution to provident fund is charged to the statement of profit and loss or capitalised as part of capital work in progress under development, as the case may be. The Company's contributions towards provident fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Defined benefit plan

The Company has funded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries who use the projected unit credit method to calculate the defined benefit obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss or capitalised as part of capital work in progress, as the case may be.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in statement of profit or loss as past service cost or capitalised as part of capital work in progress, as the case may be.

Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the year in which such gain or loss arise.

Vacation pay

The Company also provides benefit of vacation pay to its employees. Liability in respect of vacation pay becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss or capitalised as part of capital work in progress, as the case may be in the year in which such gains or losses arise.

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Other short-term benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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SUBARNAREKHA PORT PRIVATE LTD *

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3 (a) Property, plant and equipment

Particulars	Computer	Furniture and fixtures	Vehicles	Office equipment	Total
Gross block					
Balance as at 1 April 2022	**32.36**	**15.86**	**0.27**	**10.45**	**58.94**
Additions	13.62	0.67	-	14.83	29.12
Disposal	-	-	-	-	-
Balance as at 31 March 2023	**45.98**	**16.53**	**0.27**	**25.28**	**88.06**
Additions	1.54	27.45	-	-	28.99
Disposal	(3.72)	-	-	-	(3.72)
Balance as at 31 March 2024	**43.80**	**43.98**	**0.27**	**25.28**	**113.33**
Accumulated depreciation					
Balance as at 01 April 2022	**14.28**	**2.54**	**0.26**	**4.13**	**21.21**
Charge for the year	11.26	1.49	0.01	3.36	16.12
Other adjustments(*)	-	-	-	-	-
Adjustments for disposals	-	-	-	-	-
Balance as at 31 March 2023	**25.54**	**4.03**	**0.27**	**7.49**	**37.33**
Charge for the year	11.42	3.26	-	4.42	19.10
Other adjustments(*)	-	-	-	-	-
Adjustments for disposals	(3.72)	-	-	-	(3.72)
Balance as at 31 March 2024	**33.24**	**7.29**	**0.27**	**11.91**	**52.71**
Net Block					
Balance as at 31 March 2023	**20.44**	**12.50**	**-**	**17.79**	**50.73**
Balance as at 31 March 2024	**10.56**	**36.69**	**-**	**13.37**	**60.62**

a. The Company has not revalued its property, plant and equipment (including right of use assets) as at the balance sheet date.

3 (b) Right of use assets

Particulars	Right of use (ROU) under lease
Gross block	
Balance as at 1 April 2022	**2,600.83**
Additions	128.99
Disposal	-
Balance as at 31 March 2023	**2,729.82**
Additions	-
Disposal	-
Balance as at 31 March 2024	**2,729.82**
Accumulated amortisation	
Balance as at 01 April 2022	**267.69**
Charge for the year	20.69
Other adjustments(*)	77.52
Adjustments for disposals	-
Balance as at 31 March 2023	**365.90**
Charge for the year	40.31
Other adjustments(*)	77.97
Adjustments for disposals	-
Balance as at 31 March 2024	**484.18**
Net Block	
Balance as at 31 March 2023	**2,363.92**
Balance as at 31 March 2024	**2,245.64**

Note:

(*) Other adjustments represents amortisation charged on right of use assets wherein the amortisation has been transferred to capital work in progress.

(All amounts in ₹ Lakhs, unless otherwise stated)

3 (c) Capital work in progress

	Amount
Balance as at 01 April 2022	**10,593.51**
Additions during the year	3,615.04
Balance as at 31 March 2023	**14,208.55**
Additions during the year	2,435.43
Balance as at 31 March 2024	**16,643.98**

Note:

Capital work in progress represents the cost incurred till date, which are directly attributable to development of the port. The expenditure incidental to the setting up of the project is included in capital work in progress the same will be capitalised on completion of the project and commencement of operations. The following expenses has been capitalised till date:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	**14,208.55**	**10,593.51**
Expenses during the year:		
Salary and wages	240.58	289.70
Director remuneration (Refer note 27)	-	35.00
Management consultancy fees (Refer note 27)	273.35	321.46
Project development expense	1,244.27	2,030.18
Finance cost (net)	393.91	260.45
Others (Refer note (b) below)	283.32	678.25
Amount included in capital work in progress	**16,643.98**	**14,208.55**

Notes:

a) Others includes amortisation on Right of use assets, deputation charges and other directly attributable costs.

(A) Ageing schedule of capital work-in-progress

As at 31 March 2024	**Less than 1**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	2,435.43	3,615.04	2,795.50	7,798.01	**16,643.98**

As at 31 March 2023	**Less than 1**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	3,615.04	2,795.50	1,101.35	6,696.66	**14,208.55**

(B) Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan:

As at 31 March 2024	**Less than 1**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	-	-	-	-	-

As at 31 March 2023	**Less than 1**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	-	-	-	-	-

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SUBARNAREKHA PORT PRIVATE LTD. * BHUBANESWAR

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(All amounts in ₹ Lakhs, unless otherwise stated)

4 Other intangible assets

Particulars	Software	Other Intangible assets	Total
As at 01 April 2022	-	17.49	17.49
Additions	82.69	-	82.69
Disposals	-	-	-
As at 31 March 2023	82.69	17.49	100.18
Additions	-	-	-
Disposals	-	-	-
As at 31 March 2024	82.69	17.49	100.18
Accumulated amortisation			
As at 01 April 2022	-	2.16	2.16
Amortisation for the year	16.30	5.83	22.13
As at 31 March 2023	16.30	7.99	24.29
Amortisation for the year	16.54	5.83	22.37
As at 31 March 2024	32.84	13.82	46.66
Net block			
As at 31 March 2023	66.39	9.50	75.89
As at 31 March 2024	49.85	3.67	53.52

a. The Company has not revalued its intangible assets as at the balance sheet date.

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Subarnarekha Port Private Limited
Summary of notes forming part of the financial statements for the year ended 31 March 2024
(All amounts in ₹ Lakhs, unless otherwise stated)

5 Intangible assets under development

	Amount
Balance as at 01 April 2022	41.60
Additions	26.89
Transfer to other intangible assets (*)	(68.49)
Balance as at 31 March 2023	-
Additions	-
Transfer to other intangible assets	-
Balance as at 31 March 2024	-

(*) The Company had incurred ₹ 68.49 lakhs towards implementation of accounting software (SAP S/4 Hana). On successful implementation, ₹ 68.49 lakh have been capitalised under 'Software' in 'Other intangible assets' during the year ended 31 March 2023.

6 Deferred tax assets/ (liabilities) (net)	**As at 31 March 2024**	**As at 31 March 2023**
(i) Deferred tax assets:		
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	2.74	0.92
Provision for employee benefits	7.00	3.91
Difference between written down value of ROU and Lease liabilities	185.83	150.31
Carry forward business losses	483.99	221.41
Gross deferred tax assets	**679.56**	**376.55**
(ii) Deferred tax liabilities:		
Difference due to fair valuation of investments	2.93	16.76
Gross deferred tax liabilities	**2.93**	**16.76**
Deferred tax assets (net)	**676.63**	**359.79**
Deferred tax assets (net) recognised in books	-	-

Note:
Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

In accordance with IndAS 12 "Income taxes", in the absence of reasonable certainty for future taxable profits, the Company has recognised deferred tax assets only to the extent of deferred tax liabilities. The Company has not recorded deferred tax asset on deductible temporary differences and carry forward business losses amounting to ₹ 676.63 lakhs as at 31 March 2024. (31 March 2023: 359.79 lakhs). The above losses will expire over 1-8 years.

Movement in deferred tax assets for the year ended 31 March 2024:

Particulars	**As at 01 April 2023**	**Statement of Profit and Loss**	**Other Comprehensive Income**	**As at 31 March 2024**
Gross deferred tax assets				
Unutilised MAT credit	-	-	-	-
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	-	-	-	-
Difference between written down value of ROU and lease liabilities	16.76	(13.83)	-	2.93
Provision for employee benefits	-	-	-	-
	16.76	**(13.83)**	-	**2.93**
Gross deferred tax liabilities				
Difference due to fair valuation of investments	16.76	(13.83)	-	2.93
	16.76	**(13.83)**	-	**2.93**
Deferred tax assets (net)	-	-	-	-

Movement in deferred tax assets for the year ended 31 March 2023:

Particulars	**As at 01 April 2022**	**Statement of Profit and Loss**	**Other Comprehensive Income**	**As at 31 March 2023**
Gross deferred tax assets				
Unutilised MAT credit	2.56	(2.56)	-	-
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	2.19	(2.19)	-	-
Difference between written down value of ROU and lease liabilities	113.55	(96.79)	-	16.76
Provision for employee benefits	2.68	(2.68)	-	-
	120.98	**(104.22)**	-	**16.76**
Gross deferred tax liabilities				
Difference due to fair valuation of investments	-	16.76	-	16.76
	-	**16.76**	-	**16.76**
Deferred tax assets (net)	**120.98**	**(120.98)**	-	-

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SUBARNAREKHA PORT PRIVATE LTD. *

Subarnarekha Port Private Limited

Summary of notes forming part of the financial statements for the year ended 31 March 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
7 Tax assets (net)		
(a) Non-current tax asset (net)		
Advance income tax (net of provision - Nil) (31 March 2023 - Nil)	0.51	0.49
	0.51	**0.49**
(b) Current tax asset (net)		
Advance income tax (net of provision - Nil) (31 March 2023 - Nil)	-	0.49
	-	**0.49**
8 Other non-current assets		
(Unsecured, considered good)		
Capital advances	0.69	18.17
Advances other than capital advances		
Balance with government authorities	1,380.43	979.66
	1,381.12	**997.83**
9 Investments		
Current		
Investment in mutual funds (Unquoted)		
Investments carried at fair value through profit and loss (FVTPL)		
UTI Liquid Cash Fund - Cash Plan - Direct Growth Nil units (31 March 2023: 33,452.61) (Units of ₹ 1,000 each)	-	1,234.20
Bandhan Liquid Fund - Direct Growth 10,181.237 units (31 March 2023: Nil) (Units of ₹ 100 each)	296.91	-
Baroda BNP Paribas Liquid Fund - Direct Growth 2,516.923 units (31 March 2023: Nil) (Units of ₹ 100 each)	70.09	-
SBI Liquid Fund - Direct Growth 9,178.995 Units (31 March 2023: Nil) (Units of 1,000 each)	346.90	-
	713.90	**1,234.20**
Other disclosures for current investments:		
Aggregate amount of quoted investments and market value thereof	713.90	1,234.20
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-
10 Cash and bank balances		
(a) Cash and cash equivalents		
Balances with banks		
- In current accounts	31.74	35.49
	31.74	**35.49**
(b) Other bank balances		
Bank deposits with original maturity more than 3 months, but less than 12 months (*)	105.00	100.00
	105.00	**100.00**

(*) The above bank deposits is under lien with Bank against Bank Guarantee issued in favour of Government of Odisha.

	As at 31 March 2024	As at 31 March 2023
11 Other financial assets		
(a) Non Current		
(Unsecured, considered good)		
Security deposits	14.72	13.09
Advance for land (Refer note below)	8,334.16	7,856.41
	8,348.88	**7,869.50**

Note:

This represents amount paid towards purchase of additional tenanted land by issuing demand drafts in favour of parties owning private lands. The lands are purchased and registered in the name of Odisha government "the Government", which in turn shall be leased out in favor of the Company for a term which runs concurrent to the Concession Period (34 years from Commencement date). The additional tenanted land shall be acquired and owned by the Government, the cost of which shall be initially borne by the Company. The amount so provided by the Company shall be adjusted against payments (lease charges and revenue share) to the Government within 15 years from the commencement date in annual equal installments without interest. The lease charges as defined in the Concession Agreement and shall become payable by the Company on acquired land from the date of full adjustment of cost of land by the Company against these advances.

	As at 31 March 2024	As at 31 March 2023
(b) Current		
(Unsecured, considered good)		
Security deposits	5.11	12.37
Others		
Interest accrued but not due	3.35	2.57
	8.46	**14.94**
12 Other current assets		
(Unsecured, considered good)		
Advances other than capital advances		
Advances to related parties (Refer note 27)	-	33.71
Advance to employees	0.20	0.77
	0.20	**34.48**

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Summary of notes forming part of the financial statements for the year ended 31 March 2024
(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 March 2024		As at 31 March 2023	
13 Equity share capital	Number	Amount	Number	Amount
Authorised share capital				
Equity shares of ₹ 10 each	2,00,00,000	2,000.00	1,20,00,000	1,200.00
Add : Increase during the year [(Refer note 13 (a)]	-	-	80,00,000	800.00
Balance at the end of the year	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	1,09,19,928	1,091.99	1,09,19,928	1,091.99
	1,09,19,928	1,091.99	1,09,19,928	1,091.99

(a) During the previous year, the Authorised Share Capital of the Company was increased by ₹ 80,000,000 divided into 8,000,000 Equity shares of ₹10 each vide resolution passed in thirteenth annual general meeting dated 23-08-2022.

(b) **Reconciliation of shares outstanding at the beginning and at the end of the year**

	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Balance at the beginning	1,09,19,928	1,091.99	97,00,478	970.05
Add : Issued during the year [(Refer note 13 (d)]	-	-	12,19,450	121.95
Balance at the end of the year	1,09,19,928	1,091.99	1,09,19,928	1,091.99

(c) No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during last five years. Further, none of the shares were bought back by the Company during the last five years.

(d) During the previous year 1,219,450 equity shares of ₹ 10 each were issued to Creative Port Development Private Limited at a premium of ₹ 383.62 per share.

(e) **Details of shareholding by Holding Company and Ultimate Holding Company**

Name of the shareholders	As at 31 March 2024		As at 31 March 2023	
Fully paid-up equity shares of ₹ 10 each:	Number	Percentage	Number	Percentage
(a) Creative Port Development Private Limited (Holding company)	1,00,17,755	91.74%	1,00,17,755	91.74%
(b) Tata Steel Limited (Ultimate holding company)	4,24,178	3.88%	4,24,178	3.88%

(f) **Details of shareholders holding more than 5% of the aggregate shares in the Company:**

Name of the shareholders	As at 31 March 2024		As at 31 March 2023	
Fully paid-up equity shares of ₹ 10 each:	Number	Percentage	Number	Percentage
Creative Port Development Private Limited (Holding company)	1,00,17,755	91.74%	1,00,17,755	91.74%

(g) **Terms/ rights attached to equity shares**
The Company has only one class of equity shares having a par value of ₹ 10 per share. Such holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings, however, no such preferential amounts exists currently. During this financial year the Company has not proposed/declared any dividend. However, if any dividend is proposed by the Board of Directors, it will be subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(h) **Shareholding of Promoters (#)**
Year ended 31 March 2024

Promoters name	Shares held by promoters at the end of the year		Shares held by promoters at the beginning of the year		% change during the Year
	No. of shares	% of total shares	No. of shares	% of total shares	
Creative Port Development Private Limited (Holding company)	1,00,17,755	91.74%	1,00,17,755	91.74%	0.00%
Mr. Ramani Ramaswamy	100	0.00%	100	0.00%	No change
Mrs. Sabitha Rangarajan (*)	100	0.00%	100	0.00%	No change

Year ended 31 March 2023

Promoters name	Shares held by promoters at the end of the Year		Shares held by promoters at the beginning of the year		% change during the Year
	No. of shares	% of total shares	No. of shares	% of total shares	
Creative Port Development Private Limited	1,00,17,755	91.74%	87,98,305	90.70%	1.04%
Mr. Ramani Ramaswamy	100	0.00%	100	0.00%	No change
Late Mr. R Rangarajan (*)	100	0.00%	100	0.00%	No change

(#) As per 'Promoter' defined under Section 2 (69) of the Act

(*) The shares of Late Mr. R Rangarajan has been transferred to his legal heir, Mrs. Sabitha Rangarajan on 31 August 2023 on receipt of succession certificate.

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Subarnarekha Port Private Limited
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(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
14 Other equity		
Other reserves		
Securities premium account		
Add: Received during the year [Refer note 13 (d)]	22,363.32	17,685.27
Balance at the end	-	4,678.05
	22,363.32	**22,363.32**
Retained earnings		
Balance at the beginning		
Add: Loss for the year	(909.08)	50.67
Add: Other comprehensive income for the year	(918.61)	(960.84)
Balance at the end	0.56	1.10
	(1,827.13)	**(909.08)**
	20,536.19	**21,454.24**

Nature and purpose of reserves:

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

Retained earnings
Retained earnings are the profits that the Company has earned till date. No transfers have been made to the general reserves and no dividends and other distributions has been made to the shareholders.

15 Lease liabilities		
(a) **Non-current**		
Lease liabilities (Refer note 26)	2,681.51	2,683.76
	2,681.51	**2,683.76**
(b) **Current**		
Current maturities of lease liabilities (Refer note 26)	278.85	258.27
	278.85	**258.27**
16 Provisions		
(a) **Non-current**		
Provision for employee benefits:		
Gratuity (*)	19.78	13.62
	19.78	**13.62**
(b) **Current**		
Provision for employee benefits:		
Compensated absences (*)	6.86	1.22
Gratuity (*)	0.29	0.20
(*) For details of employee benefits (Refer note 28)	**7.15**	**1.42**
17 (a) Borrowings		
Current		
Unsecured		
Loans from related parties (Refer note 27)	3,155.49	-
	3,155.49	**-**

Note:

Inter corporate loans have been obtained from the ultimate holding company (Tata Steel Limited) in two tranches of ₹ 1,960 lakhs and ₹ 1,040 lakhs which carries an interest rate of 10.83% and 11.15% (31 March 2023 - NIL) and is repayable by 23 July 2024 and 5 July 2024 respectively

17 (b) Other financials liabilities		
Current		
Creditors for capital goods	1,795.66	1,428.01
	1,795.66	**1,428.01**
18 Other current liabilities		
Others		
Statutory dues	26.95	55.20
	26.95	**55.20**

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SUBARNAREKHA PORT PVT. LTD. *

Subarnarekha Port Private Limited
Summary of notes forming part of the financial statements for the year ended 31 March 2024
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	Period ended 31 March 2024	Period ended 31 March 2023
19 Other income		
Interest income from:		
Bank deposits	6.40	6.29
Income tax refund	0.24	-
Financial assets at amortised cost	1.63	0.52
Other non operating income		
Profit on sale of fixed assets	0.05	-
Net gain on sale of mutual funds [Net of amount capitalised of ₹ 32.55 lakhs (31 March 2023 - Nil)]	16.93	121.92
Fair value gain from mutual fund investment [Net of amount capitalised of ₹ 11.27 lakhs (31 March 2023 - Nil)]	-	64.58
Other miscellaneous income	0.55	-
	25.80	**193.31**
20 Employee benefits expense		
Salaries, wages and bonus [Net of amount capitalised of ₹ 230.62 lakhs (31 March 2023 - ₹ 311.51 lakhs)]	133.97	103.69
Contribution to provident fund (Refer note 28B) [Net of amount capitalised of ₹ 9.96 lakhs (31 March 2023 - 13.19 lakhs)]	4.51	3.16
Staff welfare expenses	21.82	8.04
	160.30	**114.89**
21 Depreciation and amortisation expenses		
Depreciation and amortisation expenses [Refer note 3 (a) and 4]	81.78	58.94
	81.78	**58.94**
22 Finance costs		
Interest on loan from related party (Refer note 27) [Net of amount capitalised of ₹ 172.77 lakhs (31 March 2023 - Nil)]	-	-
Interest on lease liability (Refer note 26) [Net of amount capitalised of ₹ 264.96 lakhs (31 March 2023 - ₹ 260.45 lakhs)]	11.64	4.91
	11.64	**4.91**
23 Other expenses		
Rent	24.72	26.33
Repairs and maintenance	47.96	22.29
Legal and professional fees	98.14	116.38
Software and IT expenses	263.01	220.28
Deputation charges (Refer note 27) [Net of amount capitalised of ₹ 111.90 lakhs (31 March 2023 - ₹ 401.39 lakhs)]	93.41	154.74
Management consultancy fees (Refer note 27) [Net of amount capitalised of ₹ 273.35 lakhs (31 March 2023 - ₹ 321.46 lakhs)]	34.42	32.14
Travelling expenses	48.83	113.07
Advertisement and business development expenses	-	18.47
Legal and professional charges	6.00	2.60
Training and development charges	0.78	8.13
Director sitting fees (Refer note 27)	7.40	3.90
Safety and security expenses	-	4.39
CSR expenses	5.88	56.34
Payment to auditor (Refer note below)	6.95	8.89
Rates and taxes	0.28	6.76
Office expenses	38.50	41.92
Miscellaneous expenses	14.41	17.80
	690.69	**854.43**

Note:

Auditor's remuneration (on accrual basis, excluding GST)		
As auditor:		
Statutory audit	3.50	3.50
Limited review	3.00	3.00
Other services	-	2.00
Reimbursement of expenses	0.45	0.39
	6.95	**8.89**

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SUBARNAREKHA PORT PRIVATE LTD

24 Tax expense	Period ended 31 March 2024	Period ended 31 March 2023
(a) Income tax in the statement of profit and loss:		
Deferred tax	-	120.98
	-	**120.98**
(b) Reconciliation of income tax expense and the accounting profit for the year:		
Loss before tax	(918.61)	(839.86)
Enacted tax rates (%)	**26.00%**	**26.00%**
Income tax expense calculated at corporate tax rate	(238.84)	(218.36)
Deferred taxes derecognised	-	120.98
Unrecorded deferred tax assets	238.84	218.36
Total income tax expense as per statement of profit and loss	**-**	**120.98**

(c) Income tax balances	31 March 2024	31 March 2023
Non-current tax assets		
Opening balance	0.98	2.80
Add: Taxes paid/ (refund received)	(0.47)	(1.82)
Closing balance	**0.51**	**0.98**

25 Earnings per equity share (EPS)		
Profit/(loss) attributable to equity shareholders (in ₹ lakhs)	(918.61)	(960.84)
Weighted average number of equity shares outstanding during the year	1,09,19,928	1,08,59,791
Face value per share (in ₹)	10	10
Earnings per share (in ₹):		
- Basic earnings per equity share	(8.41)	(8.85)
- Diluted earnings per equity share	(8.41)	(8.85)

26 Leases

The Company has lease agreement of two types that is land lease and office space lease, where the agreement is usually for a period of 3 to 34 years with individuals and with Government of Odisha, where the lease agreement is for the right of use of office space and land respectively. Each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets under the balance sheet head 'property, plant and equipment'

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Under the lease agreement with the Government of Odisha for land, the Company shall have right to mortgage, hypothecate or otherwise transfer by conveyances within the limits of its rights and interest over such preminses for the limited purposes of borrowing money from the lending institutions.
The Company has entered into certain short term lease agreements mainly for office premises.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	ROU Asset
Net block as on 01 April 2022	2,333.14
Additions	128.99
Amortisation for the year	(98.21)
Net block as on 31 March 2023	**2,363.92**
Additions	-
Amortisation for the year	(118.28)
Net block as on 31 March 2024	**2,245.64**

Set out below are the carrying amounts of lease liabilities and the movement during the year:

Particulars	Lease Liability
As on 01 April 2022	2,770.06
Addition in liability	128.99
Finance cost for the year (Amount capitalised - ₹ 260.45 lakhs)	265.36
Payment of lease liabilities	(222.38)
As on 31 March 2023	**2,942.03**
Addition in liability	-
Finance cost for the year (Amount capitalised of ₹ 264.96 lakhs)	276.60
Payment of lease liabilities	(258.27)
As on 31 March 2024	**2,960.36**
Current	**278.85**
Non-current	**2,681.51**

The incremental borrowing rate applied to lease liabilities ranges from 9.72% to 12.45%

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(All amounts in ₹ Lakhs, unless otherwise stated)

26 Leases (continued)

Lease liabilities:

The maturity analysis of lease liabilities are disclosed below:	31 March 2024	31 March 2023
Not later than one year	278.85	258.27
Later than one year and not later than five year	985.09	1,016.40
Later than five years	8,575.89	8,824.82
Less: Future finance expense	(6,879.47)	(7,157.46)
Total	**2,960.36**	**2,942.03**

The following are the amounts recognised in profit & loss		
Depreciation and amortisation expense of right-of-use assets	118.28	98.21
Interest expense on lease liabilities	276.60	265.36
Expense relating to short-term leases	24.72	26.33
Expense relating to leases of low-value assets	-	-
Variable lease payments	-	-
Total amount recognised in profit or loss	**419.60**	**389.90**

Total cash outflows towards leases	282.99	248.71

Lease term of the above referred leases ranges from 3 years to 34 years.

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(All amounts in ₹ Lakhs, unless otherwise stated)

27 Related party disclosures

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2024.

(a) List of related parties

i. Name of the related parties and description of Relation

Name	Relationship
Tata Steel Limited	Ultimate holding company
Creative Port Development Private Limited	Holding company
TATA Steel Foundation	Entity under common control of ultimate holding company
TM International Logistics Limited	Entity under common control of ultimate holding company

ii. Key Managerial personnel

Name	Relationship
Ramani Ramaswamy	Executive Director
Prakash Singh	Executive Director (till 30 April 2023)
Upendra Nath Behera	Independent Director
Purnendu Sekhar Mishra	Independent Director (w.e.f 01 June 2023)
Sushanta Kumar Mishra	Executive Director (w.e.f 10 May 2023)
Peeyush Gupta	Director
Dibyendu Dutta	Director
Sundar Manjeri Adiseshan	Director
Avneesh Gupta	Director (till 5 Feb 2024)
Meena Lall	Director
Jyoti Prakash	Chief Financial Officer
Tanmay Kumar Sahu	Company Secretary

(b) Transactions with related parties

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Issue of equity shares (including share premium):		
Creative Port Development Private Limited	-	4,800.00
Remuneration to directors:		
Ramani Ramaswamy	-	35.00
Inter-corporate loan received		
Tata Steel Limited	3,000.00	-
Interest on inter-corporate loan		
Tata Steel Limited	172.77	-
Professional fees		
TM International Logistics Limited	18.13	7.63
Tata Steel Limited (Software and IT expenses)	7.28	-
Tata Steel Limited (Consultancy fees)	282.91	-
Deputation charges		
Tata Steel Limited (Capitalised)	111.90	401.39
Tata Steel Limited	93.41	154.74
Sitting fees		
Santosh Kumar Mohapatra	-	1.95
Upendra Nath Behera	4.40	1.95
Purnendu Shekhar Mishra	3.00	-
Advance given		
TATA Steel Foundation	-	100.00
Expenditure on CSR Activities		
TATA Steel Foundation	72.73	66.29
Charges for Management consultancy fees		
Creative Port Development Private Limited (Capitalised)	273.35	321.46
Creative Port Development Private Limited	34.42	32.14
Purchase of Property, plant and equipment		
Tata Steel Limited	-	2.17

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Summary of notes forming part of the financial statements for the year ended 31 March 2024
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27 Related party disclosures (continued)

(c) Balances of related parties:

Particulars	As at 31 March 2024	As at 31 March 2023
Other financial liabilities		
Tata Steel Limited	929.86	424.92
Borrowings		
Tata Steel Limited	3,155.49	-
Management consultancy charges payable		
Creative Port Development Private Limited	664.34	302.15
Advances given		
Tata Steel Foundation	-	33.71
Other Payables		
Tata Steel Foundation	37.74	-

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(All amounts in ₹ Lakhs, unless otherwise stated)

28 A. Defined benefit plan

The Company has gratuity as defined benefit retirement plans for its employees. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity at the rate of 15 days basic salary for each year of service until the retirement age.

The following tables set out the funded status of gratuity plans and the amount recognized in Company's financial statements :

	31 March 2024 Gratuity	31 March 2023 Gratuity
1 The amounts recognized in the Balance Sheet are as follows:		
Present value of the obligation as at the end of the year	20.08	13.82
Fair value of plan assets as at the end of the year	-	-
Net liability recognized in the Balance Sheet	**20.08**	**13.82**
2 Changes in the present value of defined benefit obligation		
Defined benefit obligation as at beginning of the year	13.82	9.00
Current service cost	5.81	5.28
Past service cost	-	-
Interest cost	1.01	0.65
Actuarial losses/(gains) arising from		
- change in financial assumptions	0.70	(0.18)
- experience variance (i.e. Actual experiences assumptions)	(1.26)	(0.92)
Benefits paid	-	-
Defined benefit obligation as at the end of the year	**20.08**	**13.82**
Non-current	19.78	13.62
Current	0.29	0.20
Assumptions used in the above valuations are as under:		
Discount rate	7.00%	7.30%
Salary increase	8.00%	8.00%
Attrition rate	2.00%	2.00%
Weighted average duration of defined benefit obligation	12 years	13 years
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Retirement age	60 years	60 years

3 Net gratuity cost for the reporting years comprises of following components.

	31 March 2024	31 March 2023
Current service cost	5.81	5.28
Past service cost	-	-
Net interest cost on the net defined benefit liability	1.01	0.65
Components of defined benefit costs recognized in Statement of Profit and Loss	**6.82**	**5.93**

4 Other comprehensive income

	31 March 2024	31 March 2023
Change in financial assumptions	(0.70)	0.18
Experience variance (i.e. actual experience vs assumptions)	1.26	0.92
Change in demographic assumptions	-	-
Components of defined benefit costs recognized in other comprehensive income	**0.56**	**1.10**

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28 Defined benefit plan (contd.)

5 Experience adjustments

	31 March 2024	31 March 2023
Defined benefit obligation as at the end of the year	20.08	13.82
Plan assets	-	-
Experience adjustments on plan liabilities	(1.26)	(0.92)
Experience adjustments on plan assets	-	-

Maturity profile of defined benefit obligation

	31 March 2024	31 March 2023
Within the next 12 months	0.30	0.20
Between 1 and 5 years	1.87	2.49
From 5 years and onwards	51.05	20.88

B. Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 . The Company has recognized the following amounts in the Statement of Profit and Loss under defined contribution plan whereby the Company is required to contribute a specified percentage of the payroll costs to fund the benefits:

	31 March 2024	31 March 2023
Employers' contribution to provident fund	14.47	16.35
	14.47	16.35

C. Compensated absences

Liability towards compensated absences based on acturial valuation amounts to ₹ 6.86 lakhs (31 March 2023: ₹ 1.22 lakhs)

Assumptions used in accounting for compensated absences:

Discount rate	7.00%	7.30%
Salary increase	8.00%	8.00%
Attrition rate	2.00%	2.00%
Weighted average duration	12 years	13 years
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Retirement age	60 years	60 years

D. Sensitivity analysis

Description of risk exposures

Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

Liquidity risk	This is the risk that the Company is not able to meet the short term benefit payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Salary escalation risk	The present value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic risk	The company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Regulatory risk:	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (for example, increase in the maximum liability on gratuity of ₹ 20.00 lakhs).

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 assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Gratuity	31 March 2024		31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount rate (+ / - 1.0%)	2.20	2.60	1.61	1.90
Salary growth rate (- / + 1.0%)	2.20	2.28	1.62	1.84

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. There are no changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

There is no change in the method of valuation for the prior period.

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29 Financial ratios

Ratio	Measurement unit	Numerator	Denominator	As at 31 March 2024 Ratio	As at 31 March 2023 Ratio	Variance (%)	Remarks
Current ratio	Times	Current assets	Current liabilities	0.16	0.81	-79.96%	Refer note (a)
Debt equity ratio	Times	Total debt	Shareholders equity	0.15	NA	100.00%	Refer note (b)
Return on equity ratio	Percentage	Profit after tax	Average of total equity	-4.16%	-4.66%	-10.75%	Not applicable
Return on capital employed	Percentage	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Capital employed (Net worth + Total Debt)	-3.38%	-3.46%	-2.51%	Not applicable

Note (a)
The Company has used its liquid assets for acquiring the land as well as using it for project development and has also obtained short term funds
Note (b)
The Company has obtained short term borrowings from Tata Steel Limited in the current year
Below mentioned ratios are not applicable to the Company and hence detailed disclosure of the same has not been done
a) Debt service coverage ratio
b) Inventory turnover ratio
c) Trade receivables turnover ratio
d) Trade payables turnover ratio
e) Net capital turnover ratio
f) Net profit ratio
g) Return on investment

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Subarnarekha Port Private Limited

Summary of notes forming part of the financial statements for the year ended 31 March 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

30 Contingent liabilities and commitments

	As at 31 March 2024	As at 31 March 2023
Commitments		
Estimated amount of capital contracts remaining to be executed and not provided for as on the Balance Sheet date are:		
Capital commitments for property, plant and equipment (including capital work-in-progress and net of capital advances)	1,177.88	1,796.61
ROC Matters (*)	-	-

(*) There were two matters pending for adjudication, for which the Company has voluntarily filed compounding applications with Regional Director (Eastern region) as at 31 March 2023. The same has been adjudicated by the Registrar of Companies vide their order dated 05 July 2023. ROC has imposed a penalty on the Company of ₹ 6 lakhs and the Officers in Default of ₹ 1.50 lakhs each, which has been duly discharged

31 Segment reporting:

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance in a single segment viz. "construction, operating and maintenance of port services". Accordingly, disclosures relating to business and geographical segments under Ind AS 108 on Segment Reporting are not relevant to the Company.

32 Financial instruments – Fair values and risk management

Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(i) As at 31 March 2024

Particulars	Carrying value				Fair value hierarchy		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Other financial assets	-	-	8,348.88	8,348.88	-	-	-
Current							
(i) Investments	713.90	-	-	713.90	713.90	-	-
(ii) Cash and cash equivalents	-	-	31.74	31.74	-	-	-
(iii) Bank balances other than (ii) above	-	-	105.00	105.00	-	-	-
(iv) Other financial assets	-	-	8.46	8.46	-	-	-
Total	**713.90**	**-**	**8,494.08**	**9,207.98**	**713.90**	**-**	**-**
Financial liabilities							
Non-current							
(i) Lease liabilities	-	-	2,681.51	2,681.51	-	-	-
Current							
(i) Lease liabilities	-	-	278.85	278.85	-	-	-
(ii) Borrowings	-	-	3,155.49	3,155.49	-	-	-
(ii) Other financial liabilities	-	-	1,795.66	1,795.66	-	-	-
Total	**-**	**-**	**7,911.51**	**7,911.51**	**-**	**-**	**-**

(ii) As at 31 March 2023

Particulars	Carrying value				Fair value hierarchy		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Other financial assets	-	-	7,869.50	7,869.50	-	-	-
Current							
(i) Investments	1,234.20	-	-	1,234.20	1,234.20	-	-
(ii) Cash and cash equivalents	-	-	35.49	35.49	-	-	-
(iii) Bank balances other than (ii) above	-	-	100.00	100.00	-	-	-
(iv) Other financial assets	-	-	14.94	14.94	-	-	-
Total	**1,234.20**	**-**	**150.43**	**1,384.63**	**1,234.20**	**-**	**-**
Financial liabilities							
Current							
(i) Lease liabilities	-	-	2,683.76	2,683.76	-	-	-
Current							
(i) Lease liabilities	-	-	258.27	258.27	-	-	-
(ii) Other financial liabilities	-	-	1,428.01	1,428.01	-	-	-
Total	**-**	**-**	**4,370.04**	**4,370.04**	**-**	**-**	**-**

(i) Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

(ii) The management assessed that the fair value of cash and cash equivalents, other financial assets and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

(iii) Investments in mutual funds are mandatorily classified as fair value through profit and loss. The fair values of mutual funds are measured with reference to the fair value of the underlying assets

(iv) There have been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2024 and 31 March 2023.

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(All amounts in ₹ Lakhs, unless otherwise stated)

33 Financial risk management

Company's business activities are exposed to a variety of financial risks like credit risk, market risks and liquidity risk. Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyze potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Company's risk management objectives and policies need approval of it's Board of Directors.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, other bank balances and other financial assets	Ageing analysis and recoverability assessment
Liquidity risk	Lease liabilities and other financial liabilities	Rolling cash flow forecasts
Market risk – Price risk	Investments in mutual funds	Sensitivity analysis

(a) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as Cash and cash equivalents, investment carried at amortised cost and other financial assets
A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

The Company assesses and manages credit risk of financial assets based on assumptions, inputs and factors specific to the class of financial assets. Based on Company's assessment, the financial assets carry low credit risk considering bank balances and deposits are held with only high rated banks and majority of other security deposits are placed majorly with government agencies/public sector undertakings. Considering the same the Company has not created anv lifetime expected credit loss of financial assets.

(b) Market risk:

Market risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is the risk arising from changes in market prices – such as interest rates, currency risk and other price risk. Financial instruments affected by market risk includes deposits and investments in mutual funds.

The company's fixed deposits are carried at fixed rate. Therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Price risk

The Company's exposure to price risk arises from investments held and classified as FVTPL.

Sensitivity

Profit or loss is sensitive to higher/lower prices of instruments on the Company's profit for the year

Particulars	31 March 2024	31 March 2023
Fair value increases by 5% - FVTPL	35.69	61.71
Fair value decreases by 5% - FVTPL	(35.69)	(61.71)

(c) Liquidity risk:

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturities of financial liabilities

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis and includes contractual interest payments.

Contractual maturity of financial liabilities	Upto 1 year	1 year to 5 years	5 years and above	Total
As at 31 March 2024				
Non derivatives				
Borrowings	3,155.49	-	-	**3,155.49**
Lease liabilities	278.85	985.09	8,575.89	**9,839.83**
Other financial liabilities	1,795.66	-	-	**1,795.66**
As at 31 March 2023				
Non derivatives				
Lease liabilities	258.27	1,016.40	8,824.82	**10,099.49**
Other financial liabilities	1,428.01	-	-	**1,428.01**

WALKER CHANDIOK & CO LLP

SUBARNAREKHA PORT PVT. LTD.

(d) Capital management

The Company's main objectives when managing capital are to:
- ensure sufficient liquidity is available (either through cash and cash equivalents or investments) to meet the needs of the business;
- ensure compliance with covenants related to its credit facilities; and
- minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions.
- safeguard its ability to continue as a going concern
- to maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment.

The Company manages its capital on the basis of capital gearing ratio which is debt (total borrowings) less cash and cash equivalents and other bank balances divided by total equity.

Particulars		As at 31 March 2024	As at 31 March 2023
Borrowings		3,155.49	-
Less: Cash and cash equivalents and other bank balances		(136.74)	-
Total borrowings	**(A)**	**3,018.75**	**-**
Total equity		21,628.18	22,546.23
Total equity	**(B)**	**21,628.18**	**22,546.23**
Capital gearing ratio	**(A)/(B)**	**0.14**	**NA**

(e) Going Concern

During the year ended 31 March 2024, the Company has incurred a net loss of ₹ 918.05 lakhs. The Company's current liabilities exceeded its current assets by ₹ 4,404.80 lakhs as on 31 March 2024. The current liabilities as at 31 March 2024 includes borrowings and other financial liabilities payable to Tata Steel Limited (Ultimate Holding Company) amounting to ₹ 3,155.49 lakhs and ₹ 929.86 lakhs respectively and other financial liabilities payable to Creative Port Development Private Limited (Holding Company) amounting to ₹ 664.34 lakhs. The Company has received a proposal from the Ultimate Holding Company for roll over of the borrowings due in the next one year which has also been accepted by the Board. The other financial liabilities due to the Holding Company and Ultimate Holding Company are payable on demand, however based on understanding with the Holding Company and Ultimate Holding Company these will be discharged only when the funding for the project will be received from Ultimate Holding Company as per the terms of the Share Holders Agreement entered into between the shareholders of the Holding Company. Considering the cash flow projections of the Company for the next 12 months, and in view of the management, the Company will therefore be able to fulfill all its other obligations as and when they fall due. Hence, the financial statements are prepared on going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

SUBARNAREKHA PORT PRIVATE LTD. * BHUBANESWAR

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

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Subarnarekha Port Private Limited

Summary of notes forming part of the financial statements for the year ended 31 March 2024

(All amounts in ₹ Lakhs, unless otherwise stated)

34 Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with struck off companies.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or provided loan to or invested funds in any entities including foreign entities (Intermediaries) or to any other persons, with the understanding 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.

(vi) The Company has not received any fund from any persons or entities, including foreign entities (funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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.

(viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the 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

(ix) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(xi) The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.

(xii) The Company is not required to spend amount towards Corporate Social Responsibility expenditure as prescribed under section 135 of the Companies Act, 2013.

35 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses the accounting software SAP for maintaining books of account. During the year ended 31 March 2024, the Company has audit trail (edit log) is enabled at the application level as part of standard SAP framework and the Company's users have access to perform transactions only from the application level. However, the Company has not enabled the feature of recording audit trail (edit log) at the database level for the same accounting software to log any direct data changes on account of recommendation in the accounting software administration guide which states that enabling the same all the time consume storage space on the disk and can impact database performance significantly. The users of the Company do not have any access to database Ids with DML (Data Manipulation Language) authority which can make direct data changes (create, change, delete) at database level.

36 No adjusting or significant non-adjusting events have occurred between 31 March 2024 and the date of authorization of these financial statements.

37 Previous year figures have been regrouped / reclassified to conform with current years classification. The same are immaterial to these financial statemen

As per our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Puneet Agarwal
Partner
Membership No. 064824

Place: Kolkata
Date: 24 April 2024

For and on behalf of the Board of Directors of
Subarnarekha Port Private Limited

Peeyush Gupta
Chairman
DIN: 02840511

Place: Bhubaneswar
Date: 24 April 2024

Sushanta Kumar Mishra
Executive Director
DIN: 05293418

Place: Bhubaneswar
Date: 24 April 2024

Ramani Ramaswamy
Executive Director
DIN: 01070365

Place: Bhubaneswar
Date: 24 April 2024

Jyoti Prakash
Chief Financial Officer
PAN: ABWPP7481M

Place: Bhubaneswar
Date: 24 April 2024

Tanmay Kumar Sahu
Company Secretary
Membership No. F4872

Place: Bhubaneswar
Date: 24 April 2024