

Starlift Services Private Limited

Financial Statements

Independent Auditors Report

Year Ended 31st March 2023

Starlift Services Private Limited
Balance Sheet as at 31st March, 2023

			(Rs. in Lakhs)
	Notes	As at 31 st March 2023	As at 31 st March 2022
<u>ASSETS</u>			
Non-Current Assets			
Property, Plant and Equipment	3	139.35	211.55
Other Non-Current Assets	4	1,433.91	1,219.38
Total Non-Current Assets		1,573.26	1,430.93
Current Assets			
Financial Assets			
i. Trade Receivables	5	2,682.75	2,818.78
ii. Cash and Cash Equivalents	6	3.32	42.51
iii. Other Bank Balances	7	77.67	83.08
iv. Other Financial Assets	8	75.14	49.11
Other Current Assets	9	759.34	814.41
Total Current Assets		3,598.22	3,807.89
Total Assets		5,171.48	5,238.82
<u>EQUITY AND LIABILITIES</u>			
Equity			
Equity Share Capital	10	881.91	881.91
Other Equity	11	2,948.84	3,076.13
Total Equity		3,830.75	3,958.04
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	12	1,020.37	1,002.70
Total Non-Current Liabilities		1,020.37	1,002.70
Current Liabilities			
Financial Liabilities			
Trade and Other Payables	13	66.79	24.43
Provisions	14	83.32	78.60
Other Current Liabilities	15	170.26	175.06
Total Current Liabilities		320.37	278.09
Total Liabilities		1,340.74	1,280.79
Total Equity and Liabilities		5,171.49	5,238.82

Notes form integral part of the financial statements

As per our report of even date

For Manish Kumar Agarwal & Co

Chartered Accountants

Firm Registration No. 153871W

M K Agarwal
 Partner
 Membership No. 065171
 UDIN # 23065171BHMGV5208

Place: Mumbai, India

Date: 24th May 2023

For and on behalf of the Board of Directors

Starlift Services Private Limited

CIN:U63010MH2003PTC140433

Saket Agarwal

Director

DIN: 00162608

Edwina Dsouza

Director

DIN: 09532802

Starlift Services Private Limited**Statement of Profit and Loss for the year ended 31st March, 2023**

			(Rs. in Lakhs)
	Notes	For year ended 31 st March 2023	For year ended 31 st March 2022
Income			
Revenue From Operations	16	482.06	808.08
Other Income	17	26.09	178.89
Total Income		508.14	986.97
Expenses			
Employee Benefit Expense	18	52.61	109.10
Power and Fuel Expense	19	11.45	136.28
Depreciation/Amortization Expense	20	72.19	228.79
Other Expenses	21	421.56	487.77
Finance Costs	22	21.36	15.29
Prior Period Expenses (Net of Prior Period Income)			
Total Expenses		579.18	977.24
Profit/(Loss) Before Tax		(71.04)	9.73
Tax expense			
Income Tax related to earlier years		56.24	3.89
Profit/(Loss) For The Year		(127.29)	5.85
Other Comprehensive Income			
Other Comprehensive Income/(Loss) For The Year		(127.29)	5.85
Earning/(Loss) Per Equity Share			
- Basic and Diluted (in Rs.)	25	(1.44)	0.07


Notes form integral part of the financial statements

As per our report of even date

For Manish Kumar Agarwal & Co

Chartered Accountants

Firm Registration No: 153871W


M K Agarwal

Partner

Membership No. 065171

UDIN # 23065171BHAMGV5208



For and on behalf of the Board of Directors

Starlift Services Private Limited

CIN:U63010MH2003PTC140433


Saket Agarwal

Director

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Edwin Dsouza

Director

DIN: 09532802

Place: Mumbai, India

Date: 24th May 2023

Starlift Services Private Limited
Cash Flow Statement For The Year Ended 31st March, 2023

	(Rs. in Lakhs)	
	For Period Ended 31st March 2023	For Year Ended 31st March 2022
Cash Flow From Operating Activities		
Profit/(loss) before tax	(71.04)	9.73
Adjusted for :		
Depreciation/ Amortization	72.19	228.79
Finance Cost	21.36	15.29
Interest Income	(21.67)	(61.87)
Foreign Exchange (Gain) / Loss	0.58	0.28
Sundry Balance Written Off	55.95	11.69
Sundry Balance Written Back	(3.11)	(104.88)
Bad Debts Written off	-	9.72
Income Tax related to earlier years	(56.24)	(3.89)
Loss/(Profit) on Sale of Assets	-	(8.64)
	(1.98)	96.23
Movements in Working Capital :		
(Increase) / Decrease in Other Non-Current Assets	(214.52)	(2.57)
(Increase) / Decrease in Trade Receivables	80.09	(108.19)
(Increase) / Decrease in Other Financial Assets	(26.03)	4.93
(Increase) / Decrease in Other Current Assets	55.07	(86.96)
Increase / (Decrease) in Other Financial Liabilities	17.66	(0.06)
Increase / (Decrease) in Trade Payables	44.90	104.21
Increase / (Decrease) in Provisions	4.72	(105.86)
Increase / (Decrease) in Other Current Liabilities	(4.80)	(15.94)
Cash Generated From / (Used in) Operations	(44.90)	(114.21)
Direct taxes paid (net of refunds)		
Net Cash Flow From/ (Used in) Operating Activities (A)	(44.90)	(114.21)
Cash Flows From Investing Activities		
Interest Income on Fixed Deposit	21.67	61.87
Movement in Fixed Deposit	5.41	18.85
Proceeds from sale of property, plant and equipment	-	87.67
Purchase of Fixed Assets	-	(1.41)
Net Cash Flow From/ (Used in) Investing Activities (B)	27.07	166.98
Cash Flows From Financing Activities		
Interest paid/Bank Charges	(21.36)	(15.29)
Net Cash Flow From/ (Used in) Financing Activities (C)	(21.36)	(15.29)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(39.19)	37.48
Cash and cash equivalents at the beginning of the year	(2,824.39)	(2,861.87)
Cash and cash equivalents at the end of the year	(2,863.58)	(2,824.39)
Components of cash and cash equivalents		
With banks- in current account	2.75	41.94
Cash on Hand	0.57	0.57
Total cash and cash equivalents (Note 6)	3.32	42.51
Notes form integral part of the financial statements		
As per our report of even date		

For Manish Kumar Agarwal & Co

Chartered Accountants

Firm Registration No: 153871W

M K Agarwal

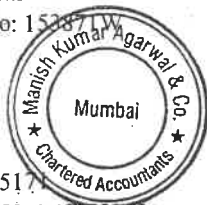
Partner

Membership No. 065171

UDIN # 23065171BHAMGV5208

Place: Mumbai, India

Date: 24th May 2023



For and on behalf of the Board of Directors

Starlift Services Private Limited

CIN:U63010MH2003PTC140433

Saket Agarwal

Director

DIN: 00162608

Edwina Dsouza

Director

DIN: 09532802

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

1. Corporate Information

Starlift Services Private Limited ("the Company") was incorporated on 13 May 2003. The Company is engaged in the business of providing mobile harbour cranes, crawler cranes and logistics services.

2. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of preparation

i. Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other relevant provision of the Act.

The Financial Statements are presented in INR. The financial statements have been prepared on a historical cost basis, except certain financial instruments which have been measured at fair value. The figures has been presented in lakhs.

ii. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- a. Expected to be realised or intended to be sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Expected to be realised within twelve months after the reporting period,
- d. Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- a. It is expected to be settled in normal operating cycle
- b. It is held primarily for the purpose of trading
- c. It is due to be settled within twelve months after the reporting period, or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

B. Operating Segment

The company is primarily engaged in the business of providing cranes on rental basis. Further all the commercial operations of the company are based in India. Accordingly, there are no separate reportable segments.

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

C. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a

- a. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is

D. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties

Rendering of services

Revenue from hiring of equipment (cranes & trailers) associated with the transaction is recognised when the outcome of a transaction can be reliably estimated by reference to the stage of completion of the transaction, at the end of the reporting

Interest income

Interest income for debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

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

E. Income Taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an items recognised directly in equity or in other comprehensive income.

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax loss and tax credits.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be. Deferred tax measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they to income taxes

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

F. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Depreciation

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Freehold Depreciation on property, plant and equipment is provided over the useful life of assets as assessed by the management as

Asset class	Useful life
Buildings (Temporary Structure)	3 years
Plant & Equipment	10 years
Furniture & fixtures	10 years
Office equipment	5 years
Vehicles	8 years

The useful lives assessed by the management are in line with the useful lives prescribed in schedule II to the companies Act 2013. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

G. Leases

Operating leases payment are recognised as an expense in the profit loss account in line with contractual term to compensate the lessors expected inflationary cost.

H. Impairment of non-financial assets

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised in the statement of profit and loss when the carrying amount of an asset exceeds its estimated recoverable amount. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount but limited to the carrying amount that would have been determined (net of depreciation / amortisation)

I. Provisions, Contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation, as a result of past events, and it is probable that an outflow of resources, that can reliably be estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are not recognised but disclosed where the existence of an obligation will only be confirmed by future events or where the amount of the obligation cannot be measured reliably. Contingent assets are not recognised, but are disclosed where an inflow of economic benefits is probable.

J. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits, (which are not pledged) with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

K. Employee Benefits

Provident Fund

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the profit and loss of the year when the contributions to the respective fund are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity /Leave encashment

The obligation of assets recognised in the balance sheet in respect to defined benefit / leave encashment value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets .The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit of loss as past service cost.

Re-measurement gain and losses arising from experience adjustment and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earning in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

L. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company into functional currency at the exchange rate on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

M. Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

N. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

Starlift Services Private Limited

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

A. Equity Share Capital

(Rs. in Lakhs)

Particulars	Amount
As at 31 st March 2022	881.81
Change in Equity Share Capital	-
As at 31st March 2023	881.81

(Rs. in Lakhs)

B. Other Equity

Particulars	Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	Total Other Equity
Closing Balance as at 31 st March 2021	3,383.49	600.00	(913.21)	3,070.28
Transfer to retained earnings - Profit 2021-22			5.85	5.85
Any other change				
Closing Balance as at 31 st March 2022	3,383.49	600.00	(907.36)	3,076.13
Transfer to retained earnings - Profit 2022-23			(127.29)	(127.29)
Any other change				
Closing Balance as at 31st March 2023	3,383.49	600.00	(1,034.65)	2,948.84

As per our report of even date

For Manish Kumar Agarwal & Co

Chartered Accountants

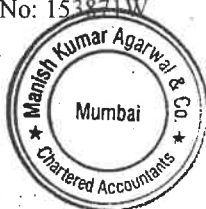
Firm Registration No: 153871W

M K Agarwal

Partner

Membership No. 065171

UDIN # 23065171BHAMGV5208



For and on behalf of the Board of Directors

Starlift Services Private Limited

CIN:U63010MH2003PTC140433

Saket Agarwal

Director

DIN: 00162608

Edwina Dsouza

Director

DIN: 09532802

Place: Mumbai, India

Date: 24th May 2023

Starlift Services Private Limited
Notes to the Ind AS financial statements for the year ended 31st March, 2023
Note 3: Property, Plant and Equipment
(Rs. in Lakhs)

Description of Assets	Building	Plant and Machinery	Office Equipment	Motor Cars	Furniture and Fixtures	Total
I. Cost						
Balance as on 31 st March, 2021	1.64	3,686.52	15.86	25.98	7.72	3,737.72
Addition			1.41			1.41
Disposal/Transfers		(1,570.73)	(5.48)			(1,576.21)
Balance as on 31 st March, 2022	1.64	2,115.79	11.80	25.98	7.72	2,162.92
Addition			-			-
Disposal/Transfers		-	-			-
Balance as on 31st March, 2023	1.64	2,115.79	11.80	25.98	7.72	2,162.92
II. Accumulated Depreciation						
Balance as on 31 st March, 2021	1.43	3,181.89	12.36	19.68	4.41	3,219.76
Charge For The Year	-	224.76	1.09	2.70	0.24	228.79
Disposal/Transfers		(1,491.80)	(5.38)			(1,497.18)
Balance as on 31 st March, 2022	1.43	1,914.85	8.07	22.37	4.65	1,951.37
Charge For The Year	-	68.78	0.84	2.33	0.25	72.19
Disposal/Transfers		-	-			-
Balance as on 31st March, 2023	1.43	1,983.63	8.91	24.70	4.90	2,023.56
Carrying Amount						
As at 31 st March, 2022	0.21	200.94	3.72	3.61	3.07	211.55
As at 31st March, 2023	0.21	132.15	2.89	1.28	2.82	139.35

Note: During the year ended on 31st March 2023, there is no impairment loss determined at each level of CGU. The recoverable amount was based on value in use and determined at the level of CGU.

Starlift Services Private Limited
Notes to the Ind AS financial statements for the year ended 31st March, 2023

	(Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
4 Other Non-Current Assets		
Advances for Land / Others *	1,406.66	1,120.52
Advance Tax (Net of Provision)	27.25	98.87
Total Other Non-Current Assets	1,433.91	1,219.38

* This advance is the balance outstanding amount of Rs. 1,406.66 Lakhs receivable by the Company from Starlog Enterprises Ltd ("Starlog"), a holding of the Company. The Company paid a total advance of Rs. 1,660 Lakhs against the purchase of land/others from Starlog. However, Starlog could not complete the transfer/transaction due to non-completion of legal formalities. As the same could not be completed by Starlog, the agreement was terminated and the entire amount of Rs. 1,660 Lakhs become receivable from Starlog. As against this receivable, the Company has received certain amounts. Further, Starlog has also rendered services to the Company for which it has payables as on 31-03-2023. Accordingly, the amounts repaid and amounts receivable from Starlog have been netted off and the balance amount is shown as advance receivable from Starlog as on 31st March 2023 is Rs 1,406.66 Lakhs.

5 Trade Receivables

Unsecured, considered good *		
Outstanding for a period exceeding six month from the date that are due for payment	2,583.77	2,665.83
Other Debts	98.97	152.95
Less: Allowance for Expected Credit Loss		
Total Trade Receivables	2,682.75	2,818.78

Trade receivables Ageing (outstanding for following periods from due date of payment)

As on 31-03-2023	Not due	Less than 6 Months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables-considered good	-	98.97	-	2.80	10.65	123.00	235.43
Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables-considered good	-	-	-	-	-	2,447.32	2,447.32
Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
	-	98.97	-	2.80	10.65	2,570.32	2,682.75
Less: Allowance for credit loss							-
Total trade receivables							2,682.75

As on 31-03-2022	Not due	Less than 6 Months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables-considered good	25.73	127.22	2.20	32.88	129.72	53.71	371.46
Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables-considered good	-	-	-	-	-	2,447.32	2,447.32
Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
	25.73	127.22	2.20	32.88	129.72	2,501.03	2,818.78

* Debtor includes Rs. 9,02,81,436/- receivable from Kolkata Port Trust("KoPT") on account of service tax. KoPT has disputed its liability towards service tax to the Company and recovered/withheld the said amount from the bills. The Company had filed petitions before Calcutta High Court, under Section 9 and Section 11 of the Arbitration and Conciliation Act 1996 on 15th March 2010. An arbitrator was appointed on 19th May 2010. The award has been published in favour of the Company on 18th April 2011. As per award, KoPT is liable to pay the service tax on the operational receipts of the company at the applicable rate as per law. KoPT has filed an appeal before Calcutta High Court and matter is pending before the Court. Management of the Company believes that the said amount is fully recoverable from KoPT in view of the favourable decision by Arbitrator and no provision is required in accounts.

* Balance that of Rs. 15,44,50,804/- is receivable from Kolkata Port Trust ("KoPT") on account of service tax levied for the period for May, 2010 to November, 2014. The service tax claimed on invoices submitted to KoPT for the period May,2010 to November, 2014 amounting to Rs. 15,44,50,804/- is due and receivable from KoPT in view of favourable order in the arbitration awards for the previous years, the management believes that the amount is recoverable.

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Trade receivables are non interest bearing.

6 Cash and Cash Equivalents

Balance with banks		
- In current accounts	2.75	41.94
- In Fixed Deposit	77.67	83.08
Cash on hand	0.57	0.57
Sub Total	80.99	125.58
Less: In earmarked accounts	(77.67)	(83.08)
Total Cash and Cash Equivalents	3.32	42.51

7 Other Bank Balances

Fixed deposits with maturity more than 3 months (including interest accrued)	77.67	83.08
Total Other Bank Balances	77.67	83.08

There are no repatriation restriction with regards to cash and cash equivalents as at the end of the reporting period and prior periods.

8 Other Financial Assets

Security Deposit	75.14	49.11
Total Other Financial Assets	75.14	49.11

9 Other Current Assets

Advances to Suppliers	27.55	8.46
Deposit with Govt. Authority	0.40	0.40
Loans and advances	696.42	757.80
Prepaid Expenses	3.56	4.32
Unbilled Revenue	14.69	25.82
Other Current Assets	16.71	17.61
Total Other Current Assets	759.34	814.41

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

		(Rs. in Lakhs)	
		As at	As at
		31 st March	31 st March
		2023	2022
10 Equity Share Capital			
Authorised equity share capital			
1,00,00,000 equity Shares of par value Rs. 10/- each		1,000.00	1,000.00
6,00,000 (previous year 6,00,000) preference shares of Rs.100/- each		600.00	600.00
		<u>1,600.00</u>	<u>1,600.00</u>
Issued, Subscribed & Paid-up			
88,19,100 equity Shares of par value Rs. 10/- each		881.91	881.91
		<u>881.91</u>	<u>881.91</u>

(i) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity Shares	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	88,19,100	881.91	88,19,100	881.91
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>88,19,100</u>	<u>881.91</u>	<u>88,19,100</u>	<u>881.91</u>

(ii) Terms/ rights attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

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

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

	As at 31st March 2023	As at 31st March 2022
Out of equity shares issued by the company, following shares are held by its holding company, Starlog Enterprises Limited :		
74,95,025 (previous year 74,95,025) equity shares of Rs.10/- each fully paid up	7,49,50,250	7,49,50,250

(iv) Details of shareholders holding more than 5% Shares in the Company:

Name of shareholder	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of Rs. 10 each fully paid				
Starlog Enterprises Limited	74,95,025	84.99%	74,95,025	84.99%
Megseas Maritime Services Pvt. Ltd.	13,22,865	15.00%	13,22,865	15.00%

The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding March 31, 2023.

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

	(Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
11 Other Equity		
Capital Redemption Reserves	600.00	600.00
Securities Premium	3,383.49	3,383.49
Retained Earnings:		
As per last Balance Sheet	(907.36)	(913.21)
Net profit/ (loss) for the year	(127.29)	5.85
Balance at the end of the year	(1,034.65)	(907.36)
Total Other Equity	2,948.84	3,076.13

12 Other Financial Liabilities - Non Current

Creditors for capital goods	1,020.37	1,002.70
Total Other Financial Liabilities	1,020.37	1,002.70

13 Trade and Other Payables

-Outstanding dues of micro enterprises and small enterprises	-	-
-Outstanding dues of creditors other than micro enterprises and small enterprises-Others	66.79	24.43
-Outstanding dues of creditors other than micro enterprises and small enterprises-Related Parties	-	-
- Related Parties		
Total Trade Payables	66.79	24.43

As on 31-03-2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					-
(ii) Others	64.99	1.81	-	-	66.79
(iii) Disputed Dues - MSME					-
(iii) Disputed Dues - Others					-
Total	64.99	1.81	-	-	66.79

As on 31-03-2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					-
(ii) Others	14.43	4.77	-	5.23	24.43
(iii) Disputed Dues - MSME					-
(iii) Disputed Dues - Others					-
Total	14.43	4.77	-	5.23	24.43

There are no Micro, Small and Medium Enterprises as defined in the "Micro, Small, Medium Enterprises Development Act 2006" to whom the company owes dues on account of principal amount together with Interest and accordingly no additional disclosures have been made. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

14 Provisions

Provision For Leave Encashment	2.71	2.71
Other Provisions	80.61	75.89
Total Provision	83.32	78.60

15 Other Current Liabilities

Duties & Taxes payable		
-Service Tax Payable	71.55	71.55
-TDS/TCS Payable	9.53	4.96
-GST Payable	-	-
Other current liabilities	89.18	98.55
Total Other Current Liabilities	170.26	175.06

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

	(Rs. in Lakhs)	
	As at	As at
	31 st March 2023	31 st March 2022
16 Revenue From Operations		
Service charges from charter hire of cranes	482.06	808.08
Total Revenue From Operations	482.06	808.08
17 Other Income		
Interest Income from Bank Deposits	21.67	61.87
Foreign Exchange Gain		
Sundry Balance Written Back	3.11	104.88
Interest on Income Tax Refund	1.30	10.28
Other Income	-	1.85
Total Other Income	26.09	178.89
18 Employee Benefit Expense		
Salaries, wages and bonus	49.78	74.05
Director's Remuneration	-	30.00
Contribution to provident and other funds	2.84	5.05
Total Employee Benefit Expense	52.61	109.10
19 Power and Fuel Expense		
Power and Fuel	11.45	136.28
Total Power and Fuel Expense	11.45	136.28
20 Depreciation/Amortization		
Depreciation on Plant, Property and Equipment's (Refer Note N	72.19	228.79
Total Depreciation Expense	72.19	228.79

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

	(Rs. in Lakhs)	
	As at	As at
	31 st March 2023	31 st March 2022
21 Other Expenses		
Consumption of stores, spares and loose tools	10.00	43.19
Bad debts Written off	-	9.72
Freight charges	0.64	6.60
Rent	6.43	10.09
Rates & Taxes	1.96	9.82
Insurance	7.90	8.58
Repair & Maintenance- Plant and machinery	0.95	8.44
Parking Fees	2.25	5.57
Advertisement & Business Promotion Expenses	-	0.15
Telephone, Telex & Fax Charges	0.17	0.10
Travelling and conveyance	8.70	11.20
Hire charges of equipment's	250.74	112.53
Printing and stationery	0.29	0.46
Legal fees	3.03	32.89
Professional fees	39.41	78.39
Audit Fees	12.50	12.20
Foreign Exchange Loss	0.58	0.28
Interest on delayed payment of taxes	0.25	10.80
Sundry Balance Written Off	55.95	11.69
Revenue Sharing Expenses	10.42	116.39
Loss on Sale of assets	-	(8.64)
Miscellaneous expenses	9.39	7.31
Total Other Expenses	421.56	487.77
Note: Details of payment to auditors		
- Audit Fee	9.00	9.00
- Tax Audit Fee	3.50	3.20
Total	12.50	12.20
22 Finance Costs		
Interest to suppliers	21.29	14.22
Bank Charges	0.07	1.08
Total Finance Costs	21.36	15.29

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

23 Financial instruments - fair values and risk management

Accounting classifications and fair values

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

31st March 2023

(Rs. in Lakhs)

	FVTPL	Carrying amount Amortized cost	Total carrying amount	Level 1	Fair value Level 2	Level 3
Financial assets not measured at fair value						
Trade Receivables	-	2,682.75	2,682.75			
Cash and cash equivalents	-	3.32	3.32			
Other Bank Balances	-	77.67	77.67			
Other financials assets	-	75.14	75.14			
	-	2,838.88	2,838.88	-	-	-
Financial liabilities not measured at fair value						
Trade and Other Payables	-	66.79	66.79			
	-	66.79	66.79	-	-	-

31st March 2022

	FVTPL	Carrying amount Amortized cost	Total carrying amount	Level 1	Fair value Level 2	Level 3
Financial assets not measured at fair value						
Trade Receivables	-	2,818.78	2,818.78			
Cash and cash equivalents	-	42.51	42.51			
Other Bank Balances	-	83.08	83.08			
Other financials assets	-	49.11	49.11			
	-	2,993.48	2,993.48	-	-	-
Financial liabilities not measured at fair value						
Trade and Other Payables	-	24.43	24.43			
	-	24.43	24.43	-	-	-

The Company has disclosed financial instruments such as cash and cash equivalents at carrying value because their carrying value are at reasonable approximation of the Fair Value due to their short-term nature.

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

24 Related Party Transaction

Description of Relationship	Name of Party	Place of Incorporation
Holding Company	Starlog Enterprises Limited	India
Fellow Subsidiary	Starport Logistics Limited	India
	Kandla Container Terminal Private Limited	India
	ABG Turnkey Private Limited	India
Enterprises over which Key Managerial Personnel exercise significant influence	Oblique Trading Private Limited	India
	Megalift Material Handling Private Limited	India
	Indami Investments Private Limited	India
	Tagus Engineering Private Limited	India
	Highgate Terminals Private Limited	India
	ABG Power Private Limited	India
	Tusker Cranes Private Limited	India
	Saket Agarwal, Managing Director	India
Key Managerial Persons	Archana Agarwal, Director (Resigned w.e.f. 02.03.2022)	India
	Arup Kumar Ghosh, Director	India
	Edwina Dsouza, Director	India
	Atul Gawas, CEO (Resigned w.e.f. 17th Feb 2023)	India

Significant Transactions with Related Parties

(Rs. in Lakhs)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Nature of transaction	Nature of relationship	31 st March 2023	31 st March 2022
Loans and Advances given			
Starlog Enterprises Limited	Holding Company	323.11	-
Advance Given			
Starlog Enterprises Limited	Holding Company	-	13.54
Highgate Terminals Private Limited	KMP exercises significant influence	-	30.00
Tusker Cranes Private Limited	KMP exercises significant influence	-	44.14
Expenses incurred on behalf of other by us / (on behalf of us by others)			
Kandla Container Terminal Private Limited	Fellow Subsidiary	-	(0.01)
Tagus Engineering Private Limited	KMP exercises significant influence	-	4.36
ABG Power Private Limited	KMP exercises significant influence	-	3.52
Megalift Material Handling Private limited	KMP exercises significant influence	-	0.05
Agbros Leasing & Finance Private Limited	KMP exercises significant influence	-	0.25
Highgate Terminals Private Limited	KMP exercises significant influence	-	0.68
Oblique Trading Private Limited	KMP exercises significant influence	-	0.56
Starlog Enterprises Limited	Holding Company	(4.19)	(7.51)
Indami Investments Private Limited	KMP exercises significant influence	-	4.80
Loan and Advance Returned			
Starlog Enterprises Limited	Holding Company	32.77	474.60
Crane Hire Charges (Gross)			
Indami Investments Private Limited	KMP exercises significant influence	119.10	105.55
Remuneration to Director			
Archana Agarwal	Key Managerial Persons	-	30.00
Professional Fees to Director			
Arup Kumar Ghosh	Key Managerial Persons	3.60	3.60

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

Nature of transaction	Nature of relationship	31 st March 2023	31 st March 2022
Interest Income			
Highgate Terminal Private Limited	KMP exercises significant influence	1.80	0.84
Agbros Leasing & Finance Private Limited	KMP exercises significant influence	15.85	53.21
Salary & Perquisites			
Atul Gawas	Key Managerial Person	4.84	5.40
Revenue Recognised			
Dakshin Bharat Gateway Terminal Private Limited	KMP exercises significant influence	66.30	10.62
Services Received (Gross)			
Megalift Material Handling Private Limited	KMP exercises significant influence	2.70	35.83
Sundry balance written off			
Dakshin Bharat Gateway Terminal Private Limited	KMP exercises significant influence	55.54	-
Outstanding Balances			
Advances Given (including for expenses incurred)			
Starlog Enterprises Limited (For Land/Others)	Holding Company	1,406.66	1,120.52
Tusker Cranes Private Limited	KMP exercises significant influence	375.45	375.45
Kandla Container Terminal Private Limited	Fellow Subsidiary	3.44	3.44
Starport Logistics Limited	Fellow Subsidiary	-	0.20
Highgate Terminal Private Limited	KMP exercises significant influence	32.38	30.76
Agbros Leasing & Finance Private Limited	KMP exercises significant influence	285.15	347.89
Advances Taken			
Dakshin Bharat Gateway Terminal Private Limited	KMP exercises significant influence	-	55.54
Atul Gawas	Key Managerial Person	0.16	
Trade Payable			
Indami Investments Private Limited	KMP exercises significant influence	(4.21)	5.66
Trade Receivable			
Alba Asia Private Limited	KMP exercises significant influence	123.00	123.00

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

(Rs. in Lakhs)

25 Earning/(Loss) Per Equity Share

Particulars	31 st March	31 st March
a) Profit/(loss) after tax as per profit and loss account	(127.29)	5.85
b) Number of equity shares as at 31 March 2018	88,19,100	88,19,100
c) Nominal value of shares	Rs 10/-	Rs 10/-
d) Basic and diluted earning per share (a/b) (Absolute Figure)	(1.44)	0.07

26 Segment Reporting

The Company is engaged in one business segment i.e. ports. Further all the commercial activities of the company are based in India. Accordingly, there is no separate reportable segment.

27 Balance of creditors are subject to confirmation. However, in the opinion of the Board, Current Assets, Loans and Advances have value on realisation in the ordinary course of business, at least equal to the amount at which they are stated.

28 The balances in Trade Receivable, Trade Payable, Advances and certain Bank balances are subject to reconciliation/confirmation and adjustment, if any. In the opinion of the management there will be no material adjustment and if any, will be carried out as and when ascertained.

29 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

As determined by management, there are no Micro, Small and Medium Enterprises as defined in the "Micro, Small, Medium Enterprises Development Act 2006" to whom the company owes dues on account of principal amount together with Interest and accordingly no additional disclosures have been made.

30 Additional Regulatory Information Required By Schedule III To The Companies Act, 2013

- The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- The Company has not traded or invested in crypto currency or virtual currency during the year.
- The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

31 Relationship with Struck off Companies

Name of Struck off Company	Nature of transactions with struck off Companies	Balance Outstanding	Relationship with struck off company, if any, to be disclosed
-	-	-	-

32 Ratio Analysis

Type of Ratios	Formula for computation of ratios are as follows:	FY 2023	FY 2022	Changes in %
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	11.23	13.69	-2.46
Debt Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Shareholders Equity}}$	0.27	0.25	0.01
Debt Service Coverage Ratio	$\frac{\text{Earning available for debt service}}{\text{Debt service}}$	NA	NA	NA
Return on Equity Ratio	$\frac{\text{Net Income}}{\text{Average Shareholders Equity}}$	-0.03	0.00	-0.03
Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories}}$	NA	NA	NA
Trade Receivables Turnover Ratio	$\frac{\text{Net Credit Sales}}{\text{Average Accounts Receivable} = (\text{Debtors Opening Balance} + \text{Debtors Closing Balance})/2}$	0.18	0.29	-0.12
Trade Payables Turnover Ratio	$\frac{\text{Net Credit Purchases}}{\text{Average Accounts Payable} = (\text{Creditors Opening Balance} + \text{Creditors Closing Balance})/2}$	NA	NA	NA
Net Capital Turnover Ratio	$\frac{\text{Net Sales}}{\text{Average of Working Capital}}$	0.14	0.24	-0.10

Starlift Services Private Limited

Notes to the Ind AS financial statements for the year ended 31st March, 2023

Type of Ratios	Formula for computation of ratios are as follows:	FY 2023	FY 2022	Changes in %
Net Profit Ratio	$\frac{\text{Net Profit After Tax}}{\text{Net Sales}}$	-0.26	0.01	-0.27
Return on Capital employed	$\frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$	-0.02	0.01	-0.03
Return on Investment	$\frac{\text{Earning before interest and tax}}{\text{Average of total assets}}$	-0.01	0.00	-0.01

Explanation for change in the ratio by more than 25% as compared to the previous year.

Net Profit Ratio: - Due to reduction in operation level, fixed cost absorption results into

33 Compliance with certain requirements of the Companies Act, 2013

- a. As regards compliance by the Company on internal audit requirement of the Companies Act, 2013, the Internal Auditor was not appointed for FY 2020-21 as required under Section 138 of the Act. Management of the Company believes that the penalties, if any, on account of the above stated non-compliances are not expected to be material and the same are currently not determinable. Hence, no provision for any consequential liability have been made in accounts.
- b. The Company has identified that it has not complied with certain provisions of the Companies Act, 2013 as set out below:
- Independent directors as required under Section 149 of the Act have not been appointed.
 - Audit committee as required under Section 177 of the Act has not been constituted.
 - Nomination and Remuneration committee as required under Section 178 of the Act has not been constituted.

The Company is in the process of complying with the above provisions as required under Companies Act, 2013. Management believes that the liabilities / penalties / levies, if any, on account of the above stated non-compliance are not expected to be material and the same are currently not determinable.

34 The figures for the corresponding previous periods have been regrouped/reclassified wherever necessary, to make them comparable.

35 Contingent Liability

Particulars	31 st March 2023	31 st March 2022
Pursuant to a search operation at Company's premises by authorities of Service Tax department, penalty has been levied on Company which is disputed. The management believes that the said demand is not sustainable as it has paid taxes, with interest where applicable, and filed returns. The company has taken the matter to Calcutta High Court against the penalty raised by the Tribunal.	1,88,96,467	1,88,96,467
Bank Guarantees outstanding as at the year end (gross)-(secured against hundred percent cash margin)	77,91,228	77,91,228
Income Tax demand for AY 2020-21	1,95,110	1,95,110
GST Demand for FY 2017-18	9,25,470	9,25,470
GST Demand for FY 2018-19	20,25,106	-
GST Demand for FY 2019-20	61,761	61,761

For Manish Kumar Agarwal & Co

Chartered Accountants

Firm Registration No: 153871W

M K Agarwal

Partner

Membership No. 065171

UDIN # 23065171BHAMGV5208



For and on behalf of the Board of Directors

Starlift Services Private Limited

CIN:U63010MH2003PTC140433

Saket Agarwal

Director

DIN: 00162608

Edwina Dsouza

Director

DIN: 09532802

Place: Mumbai, India

Date: 24th May 2023



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF STARLIFT SERVICES PRIVATE LIMITED
Report on the Audit of the Standalone Financial Statements**

Opinion

We have audited the accompanying Standalone Indian Accounting Standards ("Ind AS") financial statements of **STARLIFT SERVICES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Loss Including Other Comprehensive Income, its Cash Flows and the Statement of the Changes in Equity for the year ended on the date.

Basic for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 on the standalone financial statement.

Emphasis of Matters

We draw attention to the following matters in the Notes to the Standalone Financial Statement:

1. We draw attention to the fact that the Bank Confirmation or Bank Balances of 2 bank Accounts could not be obtained by the Company. The Management stated that these are old and non-operative accounts hence balance confirmation could not be obtained, the opening balance of such are taken as closing balance. In absence of any statement and balance confirmation, any material effect due to such non-compliance is currently not ascertainable.
2. As mentioned in the note no 28 to the Standalone Financials Statements, in respect of Trade Receivables, trade payables and Advances are subject to confirmation/ reconciliation from respective parties. Hence, any material impact on the financial statement due to the same cannot be ascertained.

Our opinion is not modified in respect of the above matter.



Management's Responsibilities for the Standalone Financial Statements

The accompanying Standalone Financial Statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a

going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:


- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the accompanying Standalone Financial Statements.
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) 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:
 - 1) The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements;
 - 2) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;



- 3) There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company.
- 4) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause iv (a) and iv (b) contain any material mis-statement.
- 5) The company has neither declared nor paid dividend during the year.

For **Manish Kumar Agarwal & Co.**
Chartered Accountants
(Firm's Registration No.153871W)




MK Agarwal
(Partner)

Membership No.065171

UDIN#23065171BHAMGV5208

Place: Mumbai
Date: 24th May,2023

ANNEXURE A to the Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2023, we report that:

- i. In respect of its Property, Plant and Equipment:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the Property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on the such verification;
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
 - d) 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 revalued any of its Property, Plant and Equipment or Intangible assets or both during the year.
 - e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceeding has been initiated during the year or are pending against the company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 and rule made thereunder.
- ii. According to the information and explanations given to us, the Company's nature of operations does not require it to hold inventories and, accordingly, clause 3(ii) of the order is not applicable.
- iii. 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 investments, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, except as disclosed in sub-clause (a) below.

Aggregate amount of Loans & advances given during the year-Holding Company	Rs. 323.11 lacs
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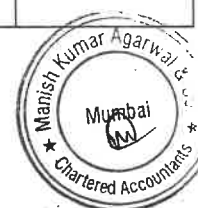
b) According to the information and explanation given to us and based on the audit procedures conducted by us, the company has given loans to related parties which are interest free and repayable on demand. in the absence of formal loan agreement, we are unable to make comment on whether term and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.

c) In the case of loans given, no formal Loan Agreements are entered with them and no schedule for repayment of principal and payment of interest has been stipulated by the company. Hence, we do not make any comment on regularity of repayment of principal and payment of interest and overdue amount, if any, in this regard.



- d) In respect of loans granted by the Company, there is no formal agreements are entered with them. Hence, we are unable to make comment on overdue amount remaining outstanding as at balance sheet date.
- e) In the absence of formal loan agreement, we are unable to make comment on any loan or advances in the nature of loans granted by the company which has been fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) In the absence of formal loan agreement, we are unable to make comment on whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any term or period of repayment.
- iv. According to the information and explanations given to us, except for the advance mentioned in point (iii) above, the Company has not given any loans, made any investments, given guarantee or provided security which are not in compliance with sections 185 and 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. According to the information and explanation provided to us, the Company is not required to maintain cost records as it does not meet the turnover criteria of Rs.35 crores from operations as provided in Rule 3 of Companies (Cost Records and Audit) Rules, 2014.
- vii. According to the information and explanations given to us, in respect of statutory dues.
- a. The Company has been generally regular in depositing undisputed statutory dues, including TDS, GST, PF and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of aforesaid statutory dues in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable except Service Tax of Rs. 144.57 lakhs, TDS of Rs. 5.39 lakhs and Income tax demand of Rs. 1.95 lakhs for the assessment year 2020-21.
- b. According to the information and explanation given to us, except disputed demand on account of service tax penalty of Rs. 188.96 lakhs which is being disputed before the High Court at Calcutta and there is disputed demand on account of Goods and Service tax (include interest and penalty) of Rs.20.25 lakhs for the FY 2018-19 which is being disputed before the Joint/Deputy Commissioner of State Tax (Appeals)-Mumbai, there are no other undisputed statutory dues which have not been deposited.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no transaction was surrendered or disclosed as income during the year in the assessments under the income tax Act,1961 (43 of 1961) which have not been recorded in the books of accounts.
- ix. a) 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 defaulted in repayment of dues to lender. Details of the dues to lender which have not been paid on the due dates and which are outstanding as on 31.03.2023 is given below:

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date (Rs. In Lakhs)	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
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Business Loan (Capital Goods)	Liebherr-Werk Nenzing GMBH	6.90	Interest	269	
Business Loan (Capital Goods)	Liebherr-Werk Nenzing GMBH	10.75	Interest	94	
Total		17.65			

- 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 been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c) According to the information and explanations given to us, money raised by way of term loan were utilised for the purpose for which these were obtained.
- d) According to the information and explanations given to us, fund raised by company on short term basis have not been utilised for long term purpose.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or Joint ventures of the Company as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or Joint ventures of the Company as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

x.

- a. According to the information and explanation given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year ended 31st March, 2023. Accordingly, paragraph 3(ix)(a) of the Order is not applicable.
- 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 share or convertible debenture (fully or partly or optionally convertible) during the year ended 31st March, 2023. Accordingly, paragraph 3(ix)(b) of the Order is not applicable.

xi.

- a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditor in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanation 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. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly, paragraph 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the order is not applicable to the Company.

xiii. In our opinion and on the basis of information and explanation given to us by the management, all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.



- xiv. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provision of the Companies Act 2013.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- 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.
- b) According to the information and explanations provided to us during the course of audit, there are no core investment company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) Accordingly, reporting under clauses 3(xvi)(d) of the order are not applicable to the company.
- xvii. The company has incurred cash losses of Rs. 55.09 Lacs during the current financial year and no cash losses incurred during immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. 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, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable
- 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 **Manish Kumar Agarwal & Co.**
Chartered Accountants
(Firm's Registration No.153871W)



M K Agarwal
M K Agarwal
(Partner)

Membership No.065171
UDIN#23065171BHAMGV5208

Place: Mumbai
Date: 24th May, 2023

Annexure B to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of **STARLIFT SERVICES PRIVATE LIMITED** ("the Company") as at 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control 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 control with reference to financial statements includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls with reference to financial statements

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 control 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the company's internal financial controls with reference to financial statements as at 31st March, 2023:

- (i) The Company did not have an appropriate internal control system for obtaining periodic balance confirmations of trade receivables, trade payables and advances to suppliers and advances from customers which could potentially impact the financial position and operating statement.
- (ii) Internal Financial control over accounting of expenses: Substantial delay has been observed in recoding the transaction in the books of account with respects to the expenses. While analysing the gaps, it was observed that, deductive control, ensuring timely accounting function needs improvement.
- (iii) The company did not have an appropriate timely reconciliation of Bank balances. Bank Confirmation or Bank Balances of 2 bank Accounts could not be obtained by the Company. In absence of any statement and balance confirmation, any material effect due to such non-compliance is currently not ascertainable.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effect/possible effects of the material weakness describe above, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer does not affect our opinion on the standalone financial statements of the Company.

For **Manish Kumar Agarwal & Co.**
Chartered Accountants
(Firm's Registration No.153871W)



M. K. Agarwal
M K Agarwal
(Partner)

Membership No.065171
UDIN#23065171BHAMGV5208

Place – Mumbai
Date: 24th May, 2023