

# **Starport Logistics Limited**

Financial Statements

Independent Auditors Report

**Year Ended 31st March 2020**

# Starport Logistics Limited

## Balance sheet as at 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

		As at	(Rs. in Thousand) As at
	Notes	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	2,343.48	2,894.76
Financial assets			
i. Investments	4	75,500.60	19,34,909.51
Other non-current assets	5	1,419.91	1,338.23
<b>Total Non-Current Assets</b>		<b>79,263.99</b>	<b>19,39,142.50</b>
<b>Current assets</b>			
Financial assets			
i. Trade receivables	6	-	5.20
ii. Cash and cash equivalents	7	400.50	348.36
iii. Other financial assets	8	-	1,500.00
Other current assets	9	518.88	528.19
<b>Total Current Assets</b>		<b>919.38</b>	<b>2,381.75</b>
<b>Total Assets</b>		<b>80,183.37</b>	<b>19,41,524.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	18,047.93	18,047.93
Other equity	11	41,359.76	19,03,245.31
<b>Total Equity</b>		<b>59,407.69</b>	<b>19,21,293.24</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial Liabilities			
i. Borrowings	12	17,587.02	16,736.34
ii. Trade and other payables	13	74.52	82.11
Other current liabilities	14	3,114.14	3,412.56
<b>Total Current Liabilities</b>		<b>20,775.68</b>	<b>20,231.01</b>
<b>Total Liabilities</b>		<b>20,775.68</b>	<b>20,231.01</b>
<b>Total Equity and Liabilities</b>		<b>80,183.37</b>	<b>19,41,524.25</b>

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

*Pulkit Goyal*

**Pulkit Goyal**

Partner

Membership No. 436460

UDIN# 22436460ANOPPS3599



For and on behalf of the Board of Directors

**Starport Logistics Limited**

CIN:U63090MH2008PLC181450

*Saket Agarwal*

**Saket Agarwal**

Director

DIN: 00162608

*Edwina Dsouza*

**Edwina Dsouza**

Director

DIN: 09532802



Place: Mumbai, India

Date: 18<sup>th</sup> July 2022

# Starport Logistics Limited

## Statement of profit and loss for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

			(Rs. in Thousand)
	Notes	For year ended 31 <sup>st</sup> March 2020	For year ended 31 <sup>st</sup> March 2019
<b>Income</b>			
Other income	15	583.36	-
<b>Total income</b>		<b>583.36</b>	<b>-</b>
<b>Expenses</b>			
Employee benefit expense	16	262.45	395.55
Depreciation expense	17	551.29	1,026.80
Other expenses	18	734.68	972.92
Finance costs	19	11.58	4.05
<b>Total expenses</b>		<b>1,560.00</b>	<b>2,399.32</b>
Profit/ (loss) before tax & Exceptional Items		(976.64)	(2,399.32)
Exceptional Items	20	(18,60,908.91)	-
Profit/ (loss) before tax		(18,61,885.55)	(2,399.32)
Deferred tax		-	-
<b>Profit/ (loss) for the year</b>		<b>(18,61,885.55)</b>	<b>(2,399.32)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income/ (loss) for the year</b>		<b>(18,61,885.55)</b>	<b>(2,399.32)</b>
<b>Earning/ (loss) per equity share</b>			
- Basic and diluted	21	(1,031.63)	(1.33)

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

*Pulkit Goyal*

**Pulkit Goyal**

Partner

Membership No. 436460

UDIN# 22436460ANOPPS3599

Place: Mumbai, India

Date: 18th July 2022



For and on behalf of the Board of Directors

**Starport Logistics Limited**

CIN:U63090MH2008PLC181450

*Saket Agarwal*

**Saket Agarwal**

Director

DIN: 00162608

*Edwina Dsouza*

**Edwina Dsouza**

Director

DIN: 09532802



# Starport Logistics Limited

## Statement of cash flows for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

	For year ended 31 <sup>st</sup> March 2020	(Rs. in Thousand) For year ended 31 <sup>st</sup> March 2019
<b>Cash flow from operating activities</b>		
Profit/ (loss) before tax	(18,61,885.55)	(2,399.32)
<b>Adjustments for:</b>		
Depreciation Expense	551.29	1,026.80
Finance Cost	11.58	4.05
Sundry Balance Writen Back	(500.00)	-
Impairment of Investment	18,59,408.91	-
	<b>(2,413.77)</b>	<b>(1,368.47)</b>
<b>Changes in operating assets and liabilities</b>		
(Increase)/decrease in trade receivables	5.20	-
(Increase)/decrease in other non-current assets	(81.68)	-
(Increase)/ decrease in other current assets	9.31	(7.94)
Increase/ (decrease) in trade and other payables	(7.59)	(4.67)
Increase/ (decrease) in other current liabilities	201.57	579.34
Increase/ (decrease) in other financial liabilities	1,500.00	-
<b>Cash generated from operations</b>	<b>(786.96)</b>	<b>(801.74)</b>
Tax Expenses/(Refund) / Deferred Tax/(Reversal)	-	-
<b>Net cash inflow from operating activities (A)</b>	<b>(786.96)</b>	<b>(801.74)</b>
<b>Cash flow used in investing activities</b>		
Investment in associate/Share Application money paid	-	-
<b>Net cash outflow used in investing activities (B)</b>	<b>-</b>	<b>-</b>
<b>Cash flow used in financing activities</b>		
Proceeds from borrowings	850.68	319.09
Finance Cost	(11.58)	(4.05)
<b>Net cash outflow used in financing activities (C)</b>	<b>839.10</b>	<b>315.04</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>52.14</b>	<b>(486.70)</b>
Cash and cash equivalents at the beginning of the year	348.36	835.06
Cash and cash equivalents at the end of the year	400.50	348.36
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>52.14</b>	<b>(486.70)</b>

Effective April, 2017 the Company adopted the amendment to Ind AS-7 "Statement of Cash Flows" which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities including both changes arising from cash flows and non cash charges, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

Notes from integral part of the financial statements

As per our report of even date

**For Manish Kumar Agarwal & Co**

Chartered Accountants

Firm Registration No: 153871W

*Pulkit Goyal*

**Pulkit Goyal**

Partner

Membership No. 436460

UDIN# 22436460ANOPPS3599



Place: Mumbai, India

Date: 18<sup>th</sup> July 2022

For and on behalf of the Board of Directors

**Starport Logistics Limited**

CIN:U63090MH2008PLC181450

*Saket Agarwal*

**Saket Agarwal**

Director

DIN: 00162608

*Edwin Dsouza*

**Edwin Dsouza**

Director

DIN: 09532802



**Starport Logistics Limited**  
**Statement of changes in equity for the year ended 31st March 2020**  
(Currency: Indian Rupees)

**A. Equity Share Capital**

Particulars	(Rs. in Thousand)
As at April 1, 2018	18,047.93
Changes in Equity Share Capital	-
As at March 31, 2019	18,047.93
Changes in Equity Share Capital	-
As at March 31, 2020	18,047.93

**B. Other Equity**

(Rs. in Thousand)

Particulars	Reserves & Surplus		Total Other Equity
	Securities Premium Reserve	Retained Earnings	
Opening balance as at 1 <sup>st</sup> April 2018	17,95,825.63	1,09,819.00	19,05,644.63
Transfer to retained earnings - Loss 2018-19	-	(2,399.32)	(2,399.32)
Closing balance as at 31 <sup>st</sup> March 2019	17,95,825.63	1,07,419.68	19,03,245.31
Transfer to retained earnings - Loss 2019-20	-	(18,61,885.55)	(18,61,885.55)
Closing balance as at 31 <sup>st</sup> March 2020	17,95,825.63	(17,54,465.87)	41,359.76

As per our report of even date

**For Manish Kumar Agarwal & Co**

Chartered Accountants

Firm Registration No: 153871 W



**Pulkit Goyal**

Partner

Membership No. 436460

UDIN# 22436460ANOPPS3599

Place: Mumbai, India

Date: 18th July 2022

For and on behalf of the Board of Directors

**Starport Logistics Limited**

CIN: U63090MH2008PLC181450

**Saket Agarwal**  
Director  
DIN: 00162608

**Edwin Dsouza**  
Director  
DIN: 09532802



# Starport Logistics Limited

## Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

### 1. Corporate Information

The Starport Logistics Limited ("the Company") was incorporated on 23rd April 2008. The company now proposes to deploy its Plant & Machinery for rendering services to earn hire charges/ service revenue.

### 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 up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies Act, 2013 read together with para 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) and other relevant provisions of the Act. These financial statements are the first financial statements of the Company under Ind AS. Refer note no. 23 below for an explanation on how the transition from IGAAP to Ind AS has affected the company balance sheet, financial performance and cash flow.

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.

#### 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:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period,
- 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:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- 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.

### C. 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.

### D. 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.





# Starport Logistics Limited

## Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

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 whole:

- 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 unobservable

### E. 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 collected on behalf of the government.

### 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 period.

### 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.

### 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 or simultaneously.

### 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 utilised. 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 levied by the same tax authority.

### 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.



## Starport Logistics Limited

### Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

#### 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 removing the item and restoring the site on which it is located.

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 land is not depreciated.

Depreciation on property, plant and equipment is provided over the useful life of assets as assessed by the management as follows-

Asset class	Useful life
Buildings (Temporary Structure)	03 years
Plant & Equipment	10 years
Furniture & fixtures	10 years
Office equipment	05 years
Vehicles	08 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 use (disposed off).

#### 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) had no impairment loss been recognised in prior accounting periods.

#### 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.





# Starport Logistics Limited

## Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

### 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 or 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. Remeasurements are not reclassified to profit or loss in subsequent periods.

### 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. Recent Accounting Pronouncement

#### a. Standards issued but not effective

Ind AS 116, Leases, replaces the existing standard on accounting for leases, Ind AS 17, with effect from April 01, 2019. This standard introduces a single lessee accounting model and requires a lessee to recognize a 'right of use asset' (ROU) and a corresponding 'lease liability' for all leases. Lease costs will be recognised in the statement of profit and loss over the lease term in the form of depreciation on the ROU asset and finance charges representing the unwinding of the discount on the lease liability. In contrast, the accounting requirements for lessors remain largely unchanged.

Transition to Ind AS 116 does not have any effect on the Company's Financial Statements, since the Company does not have any lease arrangements.

#### b. Amendment to existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards (Brief Nature as given below):

- Ind AS 19- Employee benefits - Plan Amendment, Curtailment or Settlement
- Ind AS 109- Financial Instruments - Prepayment Features with Negative Compensation
- Ind AS 12- Income Taxes - Uncertainty over Income Tax Treatments
- Ind AS 28- Investments in Associates and Joint Ventures - Long-term Interests in Associates and Joint Ventures

Applications of above standards are not expected to have any significant impact on the company's financial statements.

### O. 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.



# Starport Logistics Limited

## Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

### Note 3: Property, Plant and Equipment

(Rs. in Thousand)

Description of Assets	Plant and Machinery	Office Equipment	Motor Cars	Total
<b>I. Cost</b>				
Balance as on 1 <sup>st</sup> April, 2018	5,287.50	8.40	5,326.52	10,622.42
Addition	-	-	-	-
Disposal/Transfers	-	-	-	-
Balance as on 31 <sup>st</sup> March, 2019	5,287.50	8.40	5,326.52	10,622.42
Addition	-	-	-	-
Disposal/Transfers	-	-	-	-
Balance as on 31 <sup>st</sup> March, 2020	5,287.50	8.40	5,326.52	10,622.42
<b>II. Accumulated Depreciation</b>				
Balance as on 1 <sup>st</sup> April, 2018	2,551.25	7.98	4,141.64	6,700.87
Charge For The Year	329.76	-	697.03	1,026.79
Disposal/Transfers	-	-	-	-
Balance as on 31 <sup>st</sup> March, 2019	2,881.01	7.98	4,838.67	7,727.66
Charge For The Year	329.76	-	221.52	551.28
Disposal/Transfers	-	-	-	-
Balance as on 31 <sup>st</sup> March, 2020	3,210.77	7.98	5,060.19	8,278.94
<b>Carrying Amount</b>				
As at 31 <sup>st</sup> March, 2019	2,406.49	0.42	487.85	2,894.76
As at 31 <sup>st</sup> March, 2020	2,076.73	0.42	266.33	2,343.48

Note: During the year ended on 31<sup>st</sup> March 2020, 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.



## Starport Logistics Limited

### Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

Financial assets	(Rs. in Thousand)	
	As at	As at
4 Non-Current investments	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
<b>Trade investments (valued at cost unless stated otherwise)</b>		
<b>Unquoted equity instruments</b>		
<b>A. Investment In Subsidiaries</b>		
ABG Turnkey Private Limited		
50,000 (previous year 50,000) equity share of Rs 10 face value	500.00	500.00
India Ports & Logistics Private Limited		
7,500,060 (previous year 7,500,060) equity share of Rs 10 face value	75,000.60	75,000.60
<b>B. Other Investment</b>		
1. ALBA Asia Private Limited		
1,87,875 (previous year 1,87,875) equity share of Rs 10 face value	18,59,382.91	18,59,382.91
2. Tuticorin Coal Terminal Private Limited		
2600 (previous year 2600) equity share of Rs 10 face value	26.00	26.00
Aggregate value of Impairment	(18,59,408.91)	-
<b>Total Non-Current investments [A+B+C]</b>	<b>75,500.60</b>	<b>19,34,909.51</b>
<b>4 Non-Current Investments (Contd.)</b>		
1.The Company has impaired its investment amounting to Rs. 18,593.82 Lakhs in ALBA Asia Pvt Ltd. The Company have been non operative and in losses. The Company has not received its audited financial statement only upto FY 2016-17, in the absence of audited financial statement from F.Y. 2017-18 onwards and on account of this uncertainty, the Company has decided to provide for impairment losses in its investment.		
2.The Company has impaired its investment amounting to Rs. 0.26 Lakh in Tuticorin Coal Terminal Pvt Ltd.. The Company has not received its audited financial statement only upto FY 2016-17, in the absence of audited financial statement from F.Y. 2017-18 onwards and on account of this uncertainty, the Company has decided to provide for		
<b>5 Other Non-Current Assets</b>		
Balances with revenue authorities	1,419.91	1,338.23
<b>Total other non-current assets</b>	<b>1,419.91</b>	<b>1,338.23</b>
<b>6 Trade receivables - Current</b>		
Trade Receivables	-	5.20
<b>Total receivables</b>	<b>-</b>	<b>5.20</b>
<b>Break up of Trade Receivable</b>		
Unsecured, Considered Good	-	5.20
<b>Of the above, trade receivables from:</b>		
Related Parties	-	5.20

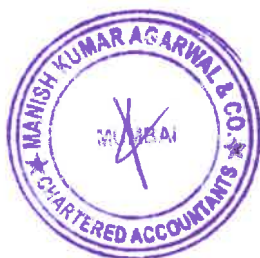


## Starport Logistics Limited

### Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

	As at 31 <sup>st</sup> March 2020	(Rs. in Thousand) As at 31 <sup>st</sup> March 2019
<b>7 Cash and cash equivalents</b>		
Balance with Banks in current accounts	400.50	348.36
<b>Total cash and cash equivalents</b>	<b>400.50</b>	<b>348.36</b>
<b>8 Other Financial Assets - Current</b>		
Others	-	1,500.00
<b>Total Other Financial Assets - Current</b>	<b>-</b>	<b>1,500.00</b>
<b>9 Other Current Assets</b>		
Prepaid expenses	11.24	20.55
Deposits with statutory authorities	507.64	507.64
<b>Total other current assets</b>	<b>518.88</b>	<b>528.19</b>



## Starport Logistics Limited

### Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

	(Rs. in Thousand)	
	As at	As at
10 Equity Share Capital	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
<b>Authorised equity share capital</b>		
20,00,000 equity Shares of par value Rs. 10/- each	20,000.00	20,000.00
	<b>20,000.00</b>	<b>20,000.00</b>
<b>Issued, Subscribed &amp; Paid-up</b>		
18,04,793 equity Shares of par value Rs. 10/- each	18,047.93	18,047.93
	<b>18,047.93</b>	<b>18,047.93</b>

**(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, 2020		As at 31st March, 2019	
	Number	Rupees	Number	Rupees
At the beginning of the year	18,04,793	18,047.93	18,04,793	18,047.93
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>18,04,793</b>	<b>18,047.93</b>	<b>18,04,793</b>	<b>18,047.93</b>

**(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.

	As at	As at
(iii) Equity shares held by holding company	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Starlog Enterprises Limited, the holding company		
18,04,787 (previous year 18,04,787) equity shares of Rs 10/- each fully paid up	18,048	18,048

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

Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of Rs. 10 each fully paid				
<b>Starlog Enterprises Limited</b>	<b>18,04,793</b>	<b>100.00%</b>	<b>18,04,793</b>	<b>100.00%</b>

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 March 31, 2020.

	As at	As at
11 Other Equity	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
<b>Securities Premium:</b>		
As per last Balance Sheet	17,95,825.63	17,95,825.63
<b>Retained Earnings:</b>		
As per last Balance Sheet	1,07,419.68	1,09,819.00
Net profit/ (loss) for the year	(18,61,885.55)	(2,399.32)
Balance at the end of the year	(17,54,465.87)	1,07,419.68
<b>Total Other Equity</b>	<b>41,359.76</b>	<b>19,03,245.31</b>



## Starport Logistics Limited

### Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

		(Rs. in Thousand)	
		As at	As at
12 Borrowings		31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
	Inter-corporate deposit received from Related Party	17,587.02	16,736.34
	<b>Total Borrowings</b>	<b>17,587.02</b>	<b>16,736.34</b>
<b>13 Trade and Other Payables</b>			
	Trade Payables	74.52	82.11
	<b>Total trade and other payables</b>	<b>74.52</b>	<b>82.11</b>

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.

<b>14 Other Current Liabilities</b>			
	TDS payable	152.43	202.43
	Statutory dues	1,309.18	1,306.17
	Other payables	1,652.53	1,903.96
	<b>Total Other Current Liabilities</b>	<b>3,114.14</b>	<b>3,412.56</b>





# Starport Logistics Limited

## Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

	(Rs. in Thousand)	
	For year ended 31 <sup>st</sup> March 2020	For year ended 31 <sup>st</sup> March 2019
<b>15 Exceptional Items</b>		
Insurance claim received	83.36	-
Sundry Balance Written Back	500.00	-
<b>Total other income</b>	<b>583.36</b>	<b>-</b>
<b>16 Employee benefit expenses</b>		
Salaries, wages and bonus	241.03	354.87
Contribution to provident and other funds	21.42	40.68
<b>Total employee benefit expenses</b>	<b>262.45</b>	<b>395.55</b>
<b>17 Depreciation</b>		
Depreciation on Plant, Property & Equipments (Refer Note No. 3)	551.29	1,026.80
<b>Total depreciation expense</b>	<b>551.29</b>	<b>1,026.80</b>
<b>18 Other expenses</b>		
Insurance	41.87	51.60
Legal fees	299.92	-
Professional fess	40.30	32.00
ROC Filing Fees	169.30	58.80
Statutory Audit Fees	25.00	500.00
Stamp Duty Charges	-	102.30
Miscellaneous expenses	158.29	228.22
<b>Total other expenses</b>	<b>734.68</b>	<b>972.92</b>
<b>Note:</b>		
<b>Details of payment to auditors</b>		
- Audit Fee	25.00	500.00
<b>19 Finance costs</b>		
Financial charges (Bank Charges)	11.58	4.05
<b>Total finance costs</b>	<b>11.58</b>	<b>4.05</b>
<b>20 Exceptional Items</b>		
Provision for impairment in Investment (Refer Footnote 1 and 2 of Note 4)	(18,59,408.91)	-
Sundry Balance Written Off <sup>^</sup>	(1,500.00)	-
<b>Total other income</b>	<b>(18,60,908.91)</b>	<b>-</b>

<sup>^</sup> The company has written off Other Receivable of Rs. 15 lakhs to Tuticorin Coal Terminal Private Limited, being irrecoverable and there is nil outstanding as on 31.03.2020.



## Starport Logistics Limited

### Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

#### 21 Earning/(Loss) Per Equity Share

Particulars	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
a) Profit/(loss) after tax as per profit and loss account	(18,61,885.55)	(2,399.32)
b) Number of equity shares as at balance sheet date	18,04,793	18,04,793
c) Nominal value of shares	Rs 10/-	Rs 10/-
d) Basic and diluted earning per share (a/b)	(1,031.63)	(1.33)

#### 22 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.

#### 23 Related Parties

Description of Relationship	Name of Party	Place of Incorporation
<b>Holding Company</b>	Starlog Enterprises Limited	India
<b>Subsidiary</b>	ABG Turnkey Private Limited	India
	India Ports & Logistics Private Limited	India
<b>Fellow Subsidiary</b>	Dakshin Bharat Gateway Terminal Private Limited	India
	Kandla Container Terminal Private Limited	India
	Starlift Services Private Limited	India
<b>Associate</b>	Tuticorin Coal Terminal Private Limited	India
<b>Jointly Controlled Entities</b>	ALBA Asia Private Limited	India
<b>Key Managerial Persons</b>	Mr. Saket Agarwal, Director	

#### Significant Transactions with Related Parties

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 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
(Rs. in Thousand)			
<b>Loans &amp; Advance Received</b>			
Starlog Enterprises Limited	Holding Company	860.00	319.09
<b>Expense incurred by others on our behalf</b>			
Starlog Enterprises Limited	Holding Company	408.30	55.75
Starlift Services Private Limited	Fellow Subsidiary	19.38	-
<b>Balance Written Off</b>			
ABG Turnkey Pvt. Ltd. <sup>a</sup>	Subsidiary	5.20	-
Tuticorin Coal Terminal Private Limited <sup>b</sup>	Associate	1,500.00	-



## Starport Logistics Limited

### Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020

(Currency: Indian Rupees)

#### Outstanding Balances with Related Parties

		(Rs. in Thousand)	
Nature of transaction	Nature of relationship	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
<b>Loan/Advances/ICD Received</b>			
Starlog Enterprises Limited	Holding Company	1,746.46	886.47
<b>Trade Receivables / Other Receivables</b>			
ABG Turnkey Pvt. Ltd. <sup>a</sup>	Subsidiary Company	-	5.20
Tuticorin Coal Terminal Private Limited <sup>b</sup>	Associate	-	1,500.00
<b>Expense incurred by others on our behalf</b>			
Starlift Services Private Limited	Fellow Subsidiary	19.38	-
Starlog Enterprises Limited	Holding Company	408.30	-
<b>Investments</b>			
ABG Turnkey Private Limited	Subsidiary Company	500.00	500.00
ALBA Asia Private Limited <sup>c</sup>	Jointly Controlled Entity	-	18,59,382.91
India Ports & Logistics Private Limited	Subsidiary Company	75,000.60	75,000.60
Tuticorin Coal Terminal Private Limited <sup>d</sup>	Associate	-	26.00

<sup>a</sup> The company has written off Trade Receivable of Rs. 0.05 lakhs to ABG Turnkey Pvt. Ltd, being irrecoverable and there is nil outstanding as on 31.03.2020.

<sup>b</sup> The company has written off Other Receivable of Rs. 15 lakhs to Tuticorin Coal Terminal Private Limited, being irrecoverable and there is nil outstanding as on 31.03.2020.

<sup>c</sup> The Company has impaired its investment amounting to Rs. 18,593.82 Lakhs in ALBA Asia Pvt Ltd. The Company have been non operative and in losses. The Company has not received its audited financial statement only upto FY 2016-17, in the absence of audited financial statement from F.Y. 2017-18 onwards and on account of this uncertainty, the Company has decided to provide for impairment losses in its investment.

<sup>d</sup> The Company has impaired its investment amounting to Rs. 0.26 Lakh in Tuticorin Coal Terminal Pvt Ltd.. The Company has not received its audited financial statement only upto FY 2016-17, in the absence of audited financial statement from F.Y. 2017-18 onwards and on account of this uncertainty, the Company has decided to provide for impairment losses in its investment.

#### 24 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.

25 Contingent Liabilities not provided for: The Company has filed an appeal against disputed income tax demand of Rs. 1,46,11,822 for assessment years 2012-13, 2013-14 and 2014-15.

#### 26 Previous year comparatives

Previous year's figures have been regrouped where necessary to conform to this year's classification.

As per our report of even date

For Manish Kumar Agarwal & Co  
Chartered Accountants  
Firm Registration No: 153871W

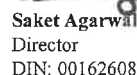
  
Pulkit Goyal

Partner  
Membership No. 436460  
UDIN# 22436460ANOPPS3599

Place: Mumbai, India  
Date: 18<sup>th</sup> July 2022



For and on behalf of the Board of Directors  
Starport Logistics Limited  
CIN: U63090MH2008PLC181450

  
Saket Agarwal  
Director  
DIN: 00162608

  
Edwina Dsouza  
Director  
DIN: 09532802





**INDEPENDENT AUDITOR'S REPORT**

To The Members of **Starport Logistics Limited**

**Report on the Audit of Standalone Financial Statements**

**Basis of Opinion**

We have audited the accompanying standalone Indian Accounting Standards ("Ind AS") financial statements of **Starport Logistics Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, 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 notes to the standalone financial statements, including 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 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 31<sup>st</sup> March, 2020, its loss including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

**Emphasis of Matters**

We draw attention to the following matters in the notes to the standalone financial statement.

As explain in Footnote 1 to Note 4 to the statement, the Company has impaired its investment amounting to Rs. 18,593.82 Lakhs in Joint Venture. The impairment amount pertains to the investment made by the Company in a Joint Venture with foreign collaboration M/s Louis Dreyfus Armateurs SAS for caring out port business. The Joint Venture and its stepdown subsidiaries have been non operative and in losses. The Company has not received its audited financial statement from F.Y. 2017-18 onwards. On account of this uncertainty, the Company has decided to provide for impairment losses in its investment.

As explain in Footnote 2 to Note 4 to the statement, the Company has impaired its investment amounting to Rs. 0.26 Lakh in Associates. The Company has not received its audited financial statement from F.Y. 2017-18 onwards. On account of this uncertainty, the Company has decided to provide for impairment losses in its investment.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) as 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 statements.



## **Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of auditor's report.

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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We will report such facts, if any, once the annual report is made available to us.

## **Management's Responsibilities for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 skepticism throughout the audit. We also:

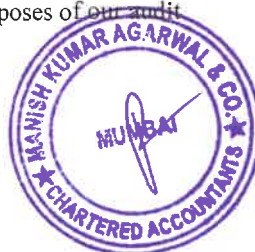
- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has 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 Act, 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.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit

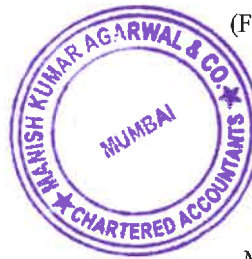




- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes 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) As explained to us, none of the directors is disqualified as on 31<sup>st</sup> March, 2020, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) In our opinion and according to the information and explanations given to us, no remuneration has been paid by the Company to its directors during the current year.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements vide Note 24.
  - ii. The Company did not have any long term contracts, including derivative contracts, for which there were any material foreseeable losses.
  - iii. The Company is not required to transfer any amount to Investor Education and Protection Fund.

Mumbai  
18<sup>th</sup> July 2022

For Manish Kumar Agarwal & Co.,  
Chartered Accountants  
(Firm Reg. No. 153871W)



*Pulkit Goyal*

**Pulkit Goyal**  
Partner

Membership No. 436460  
UDIN# 22436460ANOPPS3599

## **Annexure- A to the Independent Auditor's Report-31st March 2020**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31<sup>st</sup> March, 2020, we report that:

- (i) In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details of fixed assets. The records do not show the current location of the machinery & equipment.
  - b. The fixed assets were physical verified during the year by the Management in a phased manner which, in our opinion, is reasonable having regards to the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - c. According to the information and explanation given to us, no immovable properties are held by the Company.
- (ii) According to the information and explanation given to us, the Company's nature of operations does not require it to hold inventory 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 books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of paragraph iii (a), iii (b) and (iii) (c) of the Order are not applicable to the Company and hence, not commented upon
- (iv) According to the information and explanations given to us, the Company has not made any investments and also not given new loans or guarantees and accordingly, question of compliance with section 185 and 186 does not arise.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 of the Act in respect of services rendered by the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - a. Except service tax dues of Rs.12,90,279, Tax Deducted at Source Payable of Rs.1,52,431, Provident Fund of Rs. 15,500, Profession Tax of Rs. 2,100 and Income-tax demand of Rs. 8,92,530 for assessment year 2010-11, there were no other undisputed amounts payable by the Company in respect of Provident Fund, Employees' State Insurance, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.
  - b. According to the information and explanations given to us, except disputed income tax demand of Rs. 1,46,11,822 for Assessment years 2012-13, 2013-14 and 2014-15 against which appeal is pending before Commissioner of Income-Tax (Appeal) Mumbai, there are no other disputed statutory dues in respect of Sales Tax, Wealth Tax, Duty of



Custom, Duty of Excise, Value Added Tax and Cess, as applicable, which have not been deposited.

- (viii) According to the information and explanations given to us, the Company has not taken any loans from banks, financial institutions, Government or by issuance of any debentures.
- (ix) According to the information and explanations given to us, the Company has neither raised moneys by making public offer of shares or debt instruments nor has it taken any term loans during the year.
- (x) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has not paid any managerial remuneration 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) of the Order is not applicable to the Company.
- (xiii) According to the explanations given to us, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards. However, we have not been provided with the copies of the board resolution for transactions with the related parties.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (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) According to information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company

For **Manish Kumar Agarwal & Co.,**  
Chartered Accountants  
(Firm Reg. No. 153871W)



*Pulkit Goyal*

**Pulkit Goyal**  
Partner

Membership No. 436460  
UDIN# 22436460ANOPPS3599

Mumbai  
18<sup>th</sup> July 2022

**ANNEXURE-B to the Independent Auditor's Report on the Standalone Financial Statements of Starport Logistics Limited – 31<sup>st</sup> March, 2020**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls with reference to financial statements of Starport Logistics Limited ("the Company") as at 31<sup>st</sup> March, 2020, 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, both applicable to an audit of Internal Financial Controls and both 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 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.

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 system over financial reporting.

**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:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) 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
- (c) 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.

#### **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 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**

Opinion In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 2020, based on the criteria for internal financial control over financial reporting 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 ICAI.

For Manish Kumar Agarwal & Co.,  
Chartered Accountants  
(Firm Reg. No. 153871W)



*Pulkit Goyal*

**Pulkit Goyal**  
Partner

Membership No. 436460  
UDIN# 22436460ANOPPS3599

Mumbai  
18<sup>th</sup> July 2022