



# SAGARMALA FINANCE CORPORATION LIMITED

(formerly as Sagarmala Development Company Limited)

(A Government of India Enterprise)



## ANNUAL REPORT 2024-2025



# **SAGARMALA FINANCE CORPORATION LIMITED**

*(formerly known as Sagarmala Development Company Limited)*

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

**(as on 21<sup>st</sup> November, 2025)**

Shri Vijay Kumar	Chairman
Shri LVS Sudhakar Babu	Managing Director
Shri R. Lakshmanan	Government Nominee Director
Shri Venkatesapathy S	Government Nominee Director
Shri Ananga Charan Nayak	Director (Finance)
Shri Sambandham Thirumalai Selvam	Director (Projects)

### **Chief Financial Officer**

Shri Ananga Charan Nayak

### **Company Secretary**

Shri Maanas Srivastava

### **Registered Office**

1<sup>st</sup> Floor, 124, Thapar House, Gate No.-2,  
Janpath Lane, New Delhi-110001  
Ph. No. 011-21400754

**Email ID:** cs@sdclindia.com

**Website:** www.sdclindia.com

**CIN:** U64920DL2016GOI305194

### **Statutory Auditors**

M/s P K. Chopra & Co, Chartered Accountants  
Flat No. 801, 8<sup>th</sup> Floor, Rohit House, 3 Tolstoy Marg  
New Delhi-110001

### **Secretarial Auditors**

M/s VAPN & Associates, Company Secretaries  
E18, Ground Floor, Guru Nanakpura,  
Janakpuri, Delhi -110058

### **Bankers**

Punjab National Bank  
Parliament Street,  
New Delhi-110001

Canara Bank  
Transport Bhawan Branch  
Parliament Street, New Delhi-110001

## **BACKGROUND**

Sagarmala Finance Corporation Limited (SMFCL) (formerly known as Sagarmala Development Company Limited) is a schedule B (Mini Ratna Category-I) CPSE under the Ministry of Ports, Shipping and Waterways, Government of India.

SMFCL, is a wholly owned by Govt. of India, which was originally incorporated on 31<sup>st</sup> August 2016 as Sagarmala Development Company Limited. Further in June, 2025, the name of the company was changed from Sagarmala Development Company Limited to Sagarmala Finance Corporation Limited. Sagarmala Finance Corporation Limited (SMFCL) is now registered as Non-Banking Financial Company (NBFC) with Reserve Bank of India (RBI). SMFCL is the Country's first Non-Banking Financial Company-NBFC in the maritime sector. The registration of SMFCL as an NBFC is a major milestone in India's maritime journey. SMFCL will bridge crucial financing gaps and offer sector-specific financial solutions, empowering ports, MSMEs, startups, and institutions. This move is in perfect alignment with the Maritime Amrit Kaal Vision 2047, and making the country a leading global maritime power and Viksit Bharat.

SMFCL is set to provide a more focused and accessible financial ecosystem for India's maritime growth, enabling projects that contribute to sustainable development, innovation, and national logistics efficiency.

The Company has been registered as NBFC to fulfil mainly the following objectives:

- To aid Amrit Kal Vision through maritime infrastructure and economic growth initiatives, while playing an integral role in the Development of Maritime ecosystem.
- To fund port modernization, port connectivity (road and rail), port-led industrialization, coastal community development, inland waterway development, and improving port-hinterland connectivity and related maritime projects.
- Aligns with national maritime policies and international benchmarks to drive growth in the Indian maritime sector by supporting projects that enhance port capacity and related infrastructure and businesses along with forward & backward linkages.
- To provide a funding window for projects and/or implement residual projects that cannot be funded by any other means/ mode.
- To finance all activities, and initiatives relating to maritime sector including development, upgradation, renovation, replacement and augmentation of infrastructure and projects.
- To finance studies, surveys, investigations, startups, incubators, research on any project, activity, and to carry out any activity including consultancy, training, etc.



# VISION FOR ORGANISATION

## **Objective:**

To aid Amrit Kal Vision through maritime infrastructure and economic growth initiatives, while playing an integral role in the Development of Maritime ecosystem.

## **Role:**

To fund port modernization, port connectivity (road and rail), port-led industrialization, coastal community development, inland waterway development, and improving port-hinterland connectivity and related maritime projects.

## **Strategic Focus:**

Aligns with national maritime policies and international benchmarks to drive growth in the Indian maritime sector by supporting projects that enhance port capacity and related infrastructure and businesses along with forward & backward linkages.

# WHAT WE DO



SMFCL offers a range of financing products tailored to the maritime sector's needs:

- **Term Loans:** For capital expenditure on new projects or expansions of existing projects, with tenures above 1 Year & up to 20 years or 85% of the economic life of projects, whichever is earlier.
- **Short term Loans/ Working Capital Loan:** Short-term funding for operational needs, such as vessel maintenance or inventory management, Cash-flow mismatches, fuel purchase with tenures up to 1 year.
- **Project Finance:** Structured financing for greenfield or brownfield projects, including non-recourse or limited-recourse options including consortium lending with other Financial Institutes.
- **Equipment Finance:** Loans for acquiring vessels, machinery, or infrastructure equipment.
- **Refinancing:** Takeover of existing loans from other lenders to optimize costs.
- **Bridge Loans:** Interim financing for projects awaiting long-term funding or approvals.
- **Letter of Credit / Comfort/ Undertaking:** Issuance of Letter of credit and/or letter of comfort/ or letter of Undertaking for material or equipment supply.



# SECTORS FOR BUSINESS POTENTIAL

## 24 categories across 5 pillars

### Port Modernization

- New ports
- Port Modernization
  - Major Ports
- Port Modernization
  - Non-Major Ports
- Ship Building & Repair

### Port-led Industrialization

- Industrial Cluster
- Maritime Cluster
- SIPC/SEZ
- Captive Power Plants
- Green Hydrogen
- Other Port Led Industries

### Port connectivity

- Road
- Rail
- Pipeline
- Multimodal hubs

### Coastal community development

- Skill Development
- Fisheries & Deep-Sea Fishing
- Ropeway
- Technology Centers
- Community Development

### Coastal Shipping and IWT

- Coastal Tourism
- RoRo and Passenger Jetty/Fishing Jetty
- Cruise Tourism
- Coastal Infrastructure
- Island Development
- Inland waterways

## BRIEF **PROFILE OF** DIRECTORS



Shri Vijay Kumar  
Non-executive Chairman  
DIN: 06785136

Shri Vijay Kumar is the non-executive Chairman of the Board since 1<sup>st</sup> October, 2025. He is an Indian Administrative Service (IAS) of 1992-batch and Secretary of Ministry of Ports, Shipping and Waterways (MoPSW). A graduate in Electronics (B.E.), he holds an MBA in Economic Development from Massachusetts Institute of Technology (MIT), USA, along with a Diploma in Business Finance. Before this role, he served as Chairman of Inland Waterways Authority of India (IWAI), and has a long administrative record across sectors such as education, trade, water supply, power, shipping and urban utilities, including past roles like CEO of Delhi Jal Board and Administrator of the Lakshadweep UT.

Shri Vijay Kumar is known for a result-oriented leadership style, pushing faster decision-making and accountability across port operations, coastal shipping and inland waterways. His tenure is marked by a strong focus on maritime infrastructure expansion, private sector participation, digital transformation of logistics, and improving multimodal connectivity to reduce logistics costs nationwide.



Shri LVS Sudhakar Babu  
Managing Director  
DIN: 05346362

Shri LVS Sudhakar Babu joined SMFCL as Managing Director on 6th November 2025. He is having over 32 years of experience in the Non-Banking Financial Company (NBFC) sector, having previously served as Executive Director at HUDCO, possessing dual qualifications—MBA and CMA (Cost Management Accounting). He Joined in HUDCO, an NBFC (IFC) and a Navaratna CPSU on 19th January 1994 as a Management Trainee and has grown along with the organisation, working at various levels.

He worked as a State head for Andhra Pradesh, Telangana, Madhya Pradesh & Delhi- NCR. Major contributions to HUDCO, as a State head for the states of Andhra Pradesh and Telangana, disbursed around ₹15,000 crores for each state during his tenure and contributed significantly to the PAN INDIA operations of HUDCO with highest yield loan portfolios. He also looked after Resource Mobilisation, banking and Investments, Bonds and Special Projects, Business generation, Monitoring, Lending, Financial Concurrence, Corporate Finance, Accounting, Recovery, Fund mobilisation and to economise the cost etc. Additionally, he is having extensive experience and familiarity with NBFC operations, as well as with the regulatory/ compliance framework of the Reserve Bank of India.





Shri A.C. Nayak  
Director Finance  
DIN: 10057433

Shri A. C. Nayak joined SMFCL as the Director (Finance) on 13th February 2023. He brings with him nearly three decades of rich and diverse experience in accounts & finance, taxation, and corporate governance. Over the course of his distinguished career, he has held senior leadership positions in several prominent organisations/PSU(s), including Maharashtra Metro Rail Corporation Ltd. (Maha-Metro), RITES Ltd., NMDC Ltd., THDC Ltd., and IRE Ltd. etc.

At SMFCL, Shri Nayak leads the formulation of financial policies in line with RBI Master Directions and oversees the corporation's overall financial strategy, resource mobilisation, budgeting, statutory compliances, and treasury management. He also plays a pivotal role in the implementation of customised software solutions to support SMFCL's NBFC operations, aligning the organisation with its mandate of financing maritime and port-led infrastructure development. Under his financial stewardship, SMFCL has further strengthened its institutional frameworks and enhanced its positioning as a dedicated sectoral NBFC contributing to India's maritime growth story.



Thirumalai Selvam  
Director Projects  
DIN: 11353397

Shri S. Thirumalai Selvam joined SMFCL as Director (Projects) on 24th September 2025. He is a Mechanical Engineer with double master's degrees in Consultancy Management and Human Resource Management, and is a certified Chartered Engineer (Institution of Engineers, India). He previously served over 30 years in SAIL, starting as a Management Trainee (Technical) in 1995 and rising through multiple key project roles. He has led major industrial projects end-to-end — from planning and engineering design to procurement, risk management, construction and commissioning. He has 30+ technical papers, around 10 Indian patents, and has trained internationally in Industrial Hydraulic Systems (North American Co., USA). His professional journey is stamped with multiple national recognition awards, including Engineering Excellence Award (IEI), MECON Award (IIM), Best Paper Award (IIT Guwahati), Best Presentation Award (IIM), and several top honours from SAIL/RDCIS such as Jawahar Award, Best Patent, Best Project and Best Innovation.



Shri R. Lakshmanan  
Govt. Nominee Director  
DIN: 06908182

Shri R. Lakshmanan is the Government Nominee Director since 27<sup>th</sup> May, 2024. He is a Chartered Accountant and IAS officer from the 2004 batch. He has over two decades of experience in administration and currently serves as the Joint Secretary in the MoPSW. His work focuses on developing critical sectors, including ports, shipbuilding, and the green and digital transformation of the maritime domain. Previously, he was the Executive Director of the Rural Electrification Corporation Ltd. for three and a half years. During this time, he implemented schemes like the Revamped Distribution Sector Scheme and the Liquidity Infusion Scheme and managed the Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY). Additionally, he has held roles as District Magistrate in Darbhanga and Saharsa, Director of the School Mid-Day Meal Program, and Additional Chief Electoral Officer. His contributions have earned him national recognition for his work in public service and digital transformation.



Shri Venkatesapathy S  
Govt. Nominee Director  
DIN: 07407879

Shri Venkatesapathy S. is the Government Nominee Director since 1st August, 2024. He is an IAS officer from 2009 batch. He is currently serving as Joint Secretary in the Ministry of Ports, Shipping and Waterways (MoPSW), Government of India.

He holds a Degree of Bachelor of Technology in Production Engineering from Madras Institute of Technology, Anna University. In the span of his administrative service, he has held various key positions in the Government of Kerala including Sub Collector (Idukki, Devikulam and Kasargod), Secretary (Thiruvananthapuram Corporation), Managing Director (Supplyco), District Collector (Malappuram and Thiruvananthapuram), Director (Fisheries Department) and Managing Director (Kerala Water Authority). Prior to his current role, he joined the MoPSW on central deputation as Director (Shipping).



## CONTENTS

Sr. No.	Matter	Page No.
1.	Chairperson's message	11-12
2.	Notice of Annual General Meeting	13-18
3.	Board's Report and Annexures: Form AOC -1: Annexure 1 Comments of CAG: Annexure -2 Secretarial Audit Report: Annexure 3 Explanation or Comments by Board on Auditors Report of KRCL: Annexure -4 Form AOC-2 -Annexure 5 Annual Report on CSR Activities – Annexure 6 Certificate of Corporate Governance -Annexure -7	19-65
4.	Independent Auditors' Report on Standalone Financials	66-81
5.	Standalone Financial Statements	82-115
6.	Independent Auditors' Report on Consolidated Financials	116-134
7.	Consolidated Financial Statement	135-181
8.	Proxy Form	182
9.	Attendance Slip	183
10.	Location map of the venue of Annual General meeting	184

## CHAIRMAN'S MESSAGE

**Dear Shareholders,  
Sagarmala Finance Corporation Limited (SMFCL)**

On behalf of the Board of Directors of SMFCL, I welcome you all to the 9<sup>th</sup> Annual General Meeting of the Company. I am pleased to place before our esteemed Shareholders, the 9<sup>th</sup> Annual Report of the Company for the financial year ended on 31<sup>st</sup> March, 2025.

To serve the maritime sector effectively, it was decided that there should be a dedicated NBFC. Accordingly, SMFCL applied to the Reserve Bank of India for registration and has now been formally recognized as a Non-Banking Financial Company (NBFC) in June 2025. In line with this, the Company's name was changed from **Sagarmala Development Company Limited to Sagarmala Finance Corporation Limited (SMFCL)**, and the Main Object Clause of the Memorandum of Association was also amended to align with the NBFC business.

With this now SMFCL is the Country's first Non-Banking Financial Company-NBFC in the maritime sector. The registration of SMFCL as an NBFC is a major milestone in India's maritime journey.

This has fulfilled a long standing demand of the maritime industry in the country. The corporation will offer financial products—including short, medium, and long-term funding—to a diverse range of stakeholders such as port authorities, shipping companies, MSMEs, startups, and maritime educational institutions. SMFCL will also support strategic sectors like shipbuilding, renewable energy, and cruise tourism.

### **Mini Ratna:**

Consequent upon meeting the eligibility criteria laid down by the DPE, the Company has been accorded the status of a Mini Ratna Category-I Company.

### **SMFCL's Standalone & Consolidated Financials for the Financial year 2024-25**

During the financial year 2024-25, SMFCL recorded an income of Rs. 6408.86 Lakhs, as compared to income of Rs. 4056.85 Lakhs in the previous financial year on the basis of standalone financial statements. The Profit After Tax for the financial year 2024-25 is Rs. 4112.31 Lakhs as against Rs. 2350.96 Lakhs in the previous financial year.

On Consolidated basis SMFCL recorded an income of Rs. 11849.23 Lakhs, as compared to income of Rs. 9634.36 Lakhs in the previous financial year. The Profit After Tax for the financial year 2024-25 is Rs.9686.41 Lakhs as against Rs. 8891.63 Lakhs in the previous financial year.

During the financial year 2024-25 the Company received dividend of Rs. 460.00 Lakhs from Vishakhapatnam Port Road Company Limited (VPRCL) as dividend as compared to Rs. 430.00 Lakhs received in the previous year and received Rs.2,020.73 Lakhs from Haridaspur Paradip Railway Company Limited (HPRCL) during the financial year 2024-25 as compared to NIL received in the previous year.

Additionally, SMFCL continued to act as the Central Nodal Agency (CNA) of MoPSW for its three Central Sector Schemes – Sagarmala Scheme, R&D Scheme, and R&D (Shipping) Scheme – for

allocation of funds to Implementing Agencies. The Company has also supported the Ministry through tender management activities during the year.

**Progress Towards NBFC Operations:**

SMFCL will be commencing its NBFC operations shortly in line with the Business Plan and as per RBI guidelines.

For furthering, the business prospects and the contributing in the achievement of goals set in Maritime Amrit Kal Vision 2047, your Company has signed 06 strategically important MoUs at Transforming Maritime Sector, Conclave At Bhavnagar, Gujarat On 19th September, 2025 with Paradip Port Authority (PPA) & Department of Commerce & Transport, Government Of Odisha, NaBFID, IIFCL- New Energy One Fund (NEO Fund)- Climate Fund Managers (CFM) BV and Swan Defence and Heavy Industries Limited (SDHI)

The India Maritime Week–2025 was held at Mumbai from 27th to 31st October 2025. SMFCL participated as a 'Silver' Category sponsor and signed key MoUs during the event — with REC, HUDCO and IRFC for exploring collaboration and financing opportunities in the maritime sector; with SCI for ship financing; with GSL for support under the Maritime Development Fund (MDF) and NBFC instruments for shipbuilding; with DCIL for dredge-building finance; and with Avana Logistek Limited ("Unifeeder") for collaboration to scale coastal and short-sea shipping in India.

**Corporate Governance**

Your Company believes that good governance is the foundation of sustainable growth. SMFCL follows the principles of fairness, transparency, integrity, and accountability, ensuring compliance with the Companies Act, DPE guidelines and all applicable laws and regulations. The Board and its Committees provide effective oversight, supported by strong internal controls and risk management systems.

**Acknowledgements**

I would like to express my gratitude to the Government of India for its support to your Company. I wish to thank Shri Sarabanand Sonowal, the Hon'ble Minister of Ports, Shipping & Waterways, Shri Shantanu Thakur, Hon'ble Minister of State of Ports, Shipping & Waterways for leading the growth of India's maritime sector and for providing their kind support to your Company.

My sincere thanks are also due to the other officers/officials of the Administrative Ministry, other Ministries and Departments of the Government of India. I also wish to express my deep sense of gratitude to all the shareholders, stakeholders, my colleagues on the Board of Directors for their support.

**Chairman**

**Date:** 21-11-2025

**Place:** New Delhi

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(formerly Known as Sagarmala Development Company Limited)**

1<sup>st</sup> Floor, 124, Thapar House, Gate No.-2,

Janpath Lane, New Delhi-110001

CIN: U64920DL2016GOI305194

Email ID: cs@sdclindia.com

Ph. No. 011-21400754

**NOTICE**

Notice is hereby given that the 9<sup>th</sup> Annual General Meeting (AGM) of the members of Sagarmal Finance Corporation Limited will be held on Friday, 21<sup>st</sup> November, 2025 at 4:45 P.M.at Room No. 414, Transport Bhawan, Parliament Street, New Delhi-110001 at a shorter notice to transact the following business:

**ORDINARY BUSINESS:**

- Item No. 1:** To receive, consider, approve and adopt the audited standalone & consolidated financial statements of Sagarmala Finance Corporation Limited for the financial year ended March 31, 2025, along with the reports of the Board of Directors, Auditors and the comments of the Comptroller & Auditor General of India thereon.
- Item No. 2:** To take note of the payment of interim dividend and declare final dividend on equity shares of Sagarmala Finance Corporation Limited for the financial year 2024-25.
- Item No. 3:** To fix the remuneration of Statutory Auditors of Sagarmala Finance Corporation Limited for the Financial Year 2025-26.

**SPECIAL BUSINESS:**

- Item No. 4: To fix the overall Borrowing Limit of the Company:**  
To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as a Special Resolution:

**RESOLVED THAT** pursuant to Section 180(1)(c) of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and any other applicable provisions of law, as well as the provisions of the Articles of Association of the Company, the consent of the shareholders be and is hereby accorded to authorise the Board of Directors of the Company ("the Board") to borrow, from time to time, such moneys or sums of money, whether secured or unsecured, and upon such terms and conditions as the Board may deem fit, for the purposes of the business of the Company, notwithstanding that the money so borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount borrowed and

outstanding at any point of time shall not exceed ₹25,000 crore (Rupees Twenty-Five Thousand Crore only)."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution."

**Item No: 5: To create mortgage or charge, security on all or any of the receivables and other financial assets, and movable and immovable properties of the Company:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as a Special Resolution:

**"RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and any other applicable laws, and in accordance with the provisions of the Articles of Association of the Company, consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company ("the Board") to create mortgages, charges, hypothecation, pledge or any other encumbrances, on all or any of the receivables and other financial assets, and movable and immovable properties of the Company, both present and future, and/or on the whole or any part of the undertaking(s) of the Company, in such form and manner and on such terms and conditions as may be deemed suitable by the Board, for securing the borrowings of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution."

**Item No: 6: Approval for private placement of Non-Convertible Debentures (NCDs):**

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company ("the Board") to raise funds by way of private placement of secured/unsecured, redeemable, non-convertible debentures/bonds up to ₹8,000 crore (Rupees Eight Thousand Crore only), within the overall borrowing powers of the Company, in one or more tranches, to eligible domestic investors only, during a period of one year from the date of passing of this Special Resolution."



**“RESOLVED FURTHER THAT** such private placement(s) may be made to eligible domestic investors including, without limitation, domestic institutions, banks, mutual funds, insurance companies, development financial institutions, bodies corporate, companies and such other entities or persons permitted under applicable laws.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this Special Resolution, the Board or any duly constituted Committee of the Board be and is hereby authorised to determine the detailed terms and conditions of each issue, including the class of investors, number of debentures, issue size, price, tenor, interest rate, security structure, timing of tranches, execution of offer letters and all related documents, and to do all such acts, deeds, matters and things as may be necessary or incidental to comply with applicable legal requirements.”

By order of the Board  
For Sagarmala Finance Corporation Limited  
**MAANAS SRIVASTAVA**

S/d  
**Company Secretary**  
**M. No. A19260**

**Date: 21-11-2025**  
**Place: New Delhi**

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him / herself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company not less than 48 hours before the meeting.
2. When a member appoints a proxy and both the member and proxy attend the meeting, the proxy stands automatically revoked.
3. Members are requested to notify immediately any change in their addresses to the company at its registered office.
4. Members / proxies attending the meeting are requested to bring the attendance slip duly filled in and their copy of annual report for reference at the meeting. Proxies shall not have any right to speak at the meeting.
5. Route Map of the venue of the AGM is annexed to this Notice.
6. The Board of Directors of the company recommended final dividend @ Rs. 0.15890 per equity share on the face value of the paid-up equity shares of Rs. 10/- per share for the FY 2024-25 subject to approval of shareholders in the ensuing Annual General Meeting. This is in addition to the interim dividend of Rs. 0.035 per equity share for the FY 2024-25 already declared and paid during the year. The final dividend, if declared, will be paid within the statutory period of 30 days from the date of approval at AGM.
7. Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company are to be appointed or reappointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to Section 142 of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. The Comptroller and Auditor General of India shall appoint the Statutory Auditors of the Company for the FY 2025-26 under section 139 of the Companies Act, 2013.
8. The Board of Directors has recommended for fixation of overall borrowing powers, creation of mortgages, charge, security on the receivables and other financial assets, and movable and immovable properties of the Company and issue of Non-Convertible Debentures (NCDs) on private placement basis for the purpose of business operations of the Company.
9. The explanatory statement in respect of Special Business of the notice of the meeting is annexed.
10. All the Statutory Registers shall be available for inspections up to the date of AGM.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 4: Fixing the Overall Borrowing Limits of the Company.**

The Company is in the process of commencing its lending and investment activities in line with its business objectives. To support the enhanced scale of operations, larger loan portfolio, and future growth requirements, the Company will be required to raise additional funds from various sources, including banks, financial institutions, and other lenders.

Under Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow money (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) beyond the aggregate of the paid-up share capital, free reserves and securities premium of the Company, without the prior approval of the shareholders by way of a Special Resolution. In view of the Company's growing business requirements, it is proposed to fix the overall borrowing limit of the Company to Rs.25,000 crore. The proposed limit is considered adequate to meet the present and future financial requirements of the Company.

The Board recommends the resolution at Item No. 4 for approval of the shareholders as a Special Resolution.

None of the Directors, Key Managerial Personnel ("KMP") or their relatives are concerned or interested in the resolution, except to the extent of their shareholding, if any, in the Company.

### **Item No. 5: Creation of Mortgage / Charge / Security on Assets of the Company.**

For securing the borrowings of the Company, lenders typically require creation of security over receivables, financial assets, and movable/immovable properties. Section 180(1)(a) of the Companies Act, 2013 mandates shareholders' approval by Special Resolution for selling, leasing, or otherwise disposing of the whole or substantially the whole of the undertaking of the Company, which includes creation of mortgages or charges on the Company's assets.

To facilitate current and proposed borrowings, and to enable the Company to negotiate favourable terms with lenders, it is necessary to authorise the Board to create appropriate charges, mortgages, hypothecation, pledge or other encumbrances over the Company's assets.

The proposed authorisation will allow flexibility in securing various borrowings, as may be undertaken by the Company from time to time.

The Board recommends the resolution at Item No. 5 for approval of the shareholders as a Special Resolution.

None of the Directors, KMPs, or their relatives are concerned or interested in the resolution, except to the extent of their shareholding, if any, in the Company.

### **Item No. 6: Approval for Private Placement of Non-Convertible Debentures (NCDs).**

To mobilise long-term funds for initiating the Company's lending and investment activities, the Company proposes to raise resources by issuance of secured/unsecured, redeemable, Non-Convertible Debentures/Bonds ("NCDs") on private placement basis.

Section 42 of the Companies Act, 2013 mandates that any offer or invitation for private placement of securities requires prior approval of shareholders by way of Special Resolution. Further, such approval remains valid for a period of one year from the date of passing the Special Resolution.

The Company proposes to raise up to Rs. 8,000 crore through private placement(s) of NCDs, in one or more tranches, within the overall borrowing limits approved under Section 180(1)(c). These issuances will be made only to eligible domestic investors including banks, institutions, mutual funds, insurance companies, bodies corporate and other permissible entities.

The Board or a duly constituted Committee of the Board will determine the detailed terms of such issuances, including pricing, interest rate, security, tranche size, investor category, and execution of all required documents.

The Board recommends the resolution at Item No. 6 for approval of the shareholders as a Special Resolution.

None of the Directors, KMPs, or their relatives are concerned or interested in the resolution, except to the extent of their shareholding, if any, in the Company

By order of the Board  
For Sagarmala Finance Corporation Limited  
**MAANAS SRIVASTAVA**

S/d  
**Company Secretary**  
**M. No. A19260**

**Date: 21-11-2025**  
**Place: New Delhi**

## BOARD'S REPORT

To,

The Shareholders,

**Sagarmala Finance Corporation Limited**

Your Directors take pleasure in presenting their 9<sup>th</sup> Annual Report on the business and operations of Sagarmala Finance Corporation Limited (SMFCL) (erst while Sagarmala Development Company Limited) for the financial year ending on 31<sup>st</sup> March 2025.

### 1. FINANCIAL SUMMARY/ HIGHLIGHTS:

#### A) Standalone Financial statements:

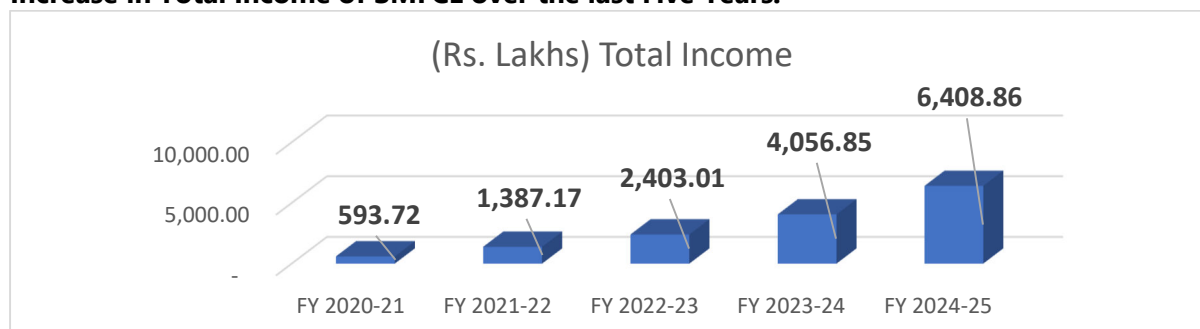
The Company's financial performance on standalone basis is as below:

(INR in Lakhs except EPS)

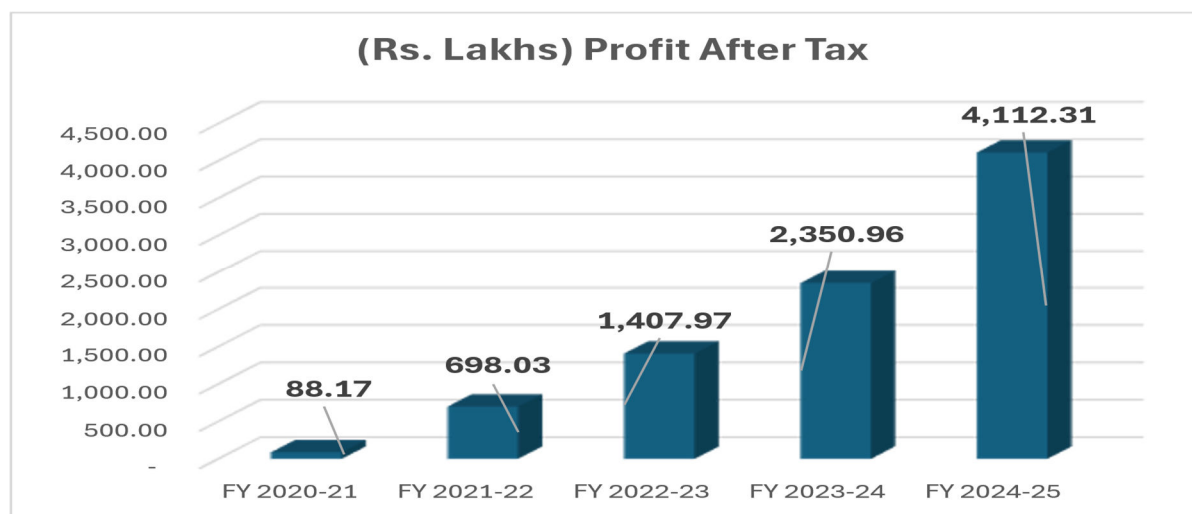
Particulars	F.Y. 2024-25	F.Y. 2023-24
Total Revenue	6,408.86	4,056.85
Total Expenses	958.31	811.60
Profit/(loss) before exceptional items	5,450.55	3,245.25
Exceptional Items	59.13	--
Profit/(Loss) before tax	5,509.68	3,245.25
Provision for Tax	1,403.70	900.90
Deferred Tax Expenses	(6.33)	(6.61)
<b>Profit/(Loss) for the year after Tax</b>	<b>4,112.31</b>	<b>2,350.96</b>
EPS	0.41	0.24

During the financial year 2024-25, SMFCL recorded an income of Rs. 6408.86 Lakhs, as compared to income of Rs. 4,056.85 Lakhs in the previous financial year recording an increase of 57.98%. The Profit After Tax for the financial year 2024-25 is Rs.4112.31 Lakhs as against Rs. 2,350.96 Lakhs in the previous financial year an increase of 74.92%. The increase in total revenue is due to increase in interest income and increase in receipt of dividend. During the financial year 2024-25 the Company received Rs. 460.00 Lakhs from Vishakhapatnam Port Road Company Limited as dividend as compared to Rs. 430.00 Lakhs received in the previous year and received Rs.2020.73 Lakhs from Haridaspur Paradip Railway Company Limited during the financial year 2024-25, as against NIL during financial year 2023-24.

#### Increase in Total Income of SMFCL over the last Five Years:



### Increase in Profit After Tax of SMFCL over the last Five Years



### B) Consolidated Financial statements:

Pursuant to Section 129 of the Companies Act, 2013 and Rules made thereunder and in accordance with Indian Accounting Standards, the Company has prepared the Consolidated Ind-AS Financial Statements for the financial year 2024-25 that include financials of its wholly owned subsidiary Company i.e. India Ports Global Limited (Audited). The same shall also be laid before the ensuing 9<sup>th</sup> Annual General Meeting along with the Standalone Financial Statements of the Company. Further pursuant to Section 129(3) of the Act, a statement containing the salient features of the financial statements of subsidiaries, associates, and joint ventures in Form AOC-1 forms part of this Annual Report and is enclosed as Annexure -1. The Company's financial performance on consolidated basis is given hereunder.

**(INR in Lakhs except EPS)**

Particulars	F.Y. 2024-25	F.Y. 2023-24
Total Revenue	11,849.24	9,634.36
Total Expenses	6,597.43	5,165.60
Net Profit/(Loss) before Tax	5,251.81	4,468.73
Exceptional Items	59.13	--
Provision for Tax	1,483.70	900.90
Deferred Tax Expenses	(146.81)	(7.84)
<b>Profit/(Loss) for the year after Tax</b>	<b>3,974.05</b>	<b>3,575.70</b>
Share of net income of joint venture accounted for using Equity method	5,712.36	5,315.93
<b>Profit/ (loss) for the period</b>	<b>9,686.41</b>	<b>8,891.63</b>
EPS	0.97	0.89

The Audited Ind-AS Financial Statements, including the Consolidated Ind-AS Financial Statements, are available on the website of the Company i.e. [www.sdclindia.com](http://www.sdclindia.com). Further, the same would be kept open for inspection through electronic mode by any member. The Company would also make available copy thereof through e-mail upon specific request by any member of the Company.



## 2. SHARE CAPITAL:

Particulars	As at 31.03.2025		As at 31.03.2024	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised:</b>				
Equity shares of Rs.10 each	100,00,00,000	10,00,00,00,000	100,00,00,000	10,00,00,00,000
<b>Issued, Subscribed &amp; Paid up:</b>				
Fully paid up Equity shares of Rs.10 each	100,00,00,000	10,00,00,00,000	100,00,00,000	10,00,00,00,000

The entire Paid-up Share Capital of the Company is held by the President of India, acting through Ministry of Ports, Shipping & Waterways, and their nominees. The beneficiary ownership of the nominee shareholders is with President of India.

## 3. PERFORMANCE AND OPERATIONS:

The Company has earned a revenue of Rs. 6,408.86 Lakhs which comprises of dividend income and interest earned on fixed deposits. The Profit after tax for the financial year was Rs. 4,112.31 Lakhs. During the financial year 31<sup>st</sup> March, 2025, the Company has also made investment of Rs.4.90 Lakhs in Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited. The company hold 49% of paid up share capital of Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited

Pursuant to the approval of Ministry of Ports, Shipping and Waterways to allow the Company to register itself as NBFC with RBI to expand its operation and provide funding to various entities to support and improve the Shipping & Port infrastructure, the Company filed an application with the Reserve Bank of India (RBI) on 19<sup>th</sup> December 2024 seeking registration as a Type II - NBFC(Non-Deposit Taking Investment and Credit Company).

As per the requirement of the Reserve Bank of India for NBFC registration certificate, the name of the Company changed from Sagarmala Development Company Limited to Sagarmala Finance Corporation Limited to reflect NBFC business w.e.f. 5<sup>th</sup> June, 2025 and the Main Object Clause of the Memorandum of Association of the Company was also altered to align with the proposed NBFC business and the Corporate Identification Number of the Company was accordingly changed from U74999DL2016GOI305194 to U64920DL2016GOI305194 by the Registrar of the Companies, Delhi & Haryana w.e.f. 9<sup>th</sup> June, 2025.

Further, Reserve Bank of India on 19<sup>th</sup> June, 2025 permitted the company to commence and carry on the business of NBFC subject to certain conditions. The company is in process of fulfilling the said conditions. The Company has been registered as NBFC to fulfil majorly the following objectives:

- To aid Amrit Kal Vision through maritime infrastructure and economic growth initiatives, while playing an integral role in the Development of Maritime ecosystem.
- To fund port modernization, port connectivity (road and rail), port-led industrialization, coastal community development, inland waterway development, and improving port-hinterland connectivity and related maritime projects.

- Aligns with national maritime policies and international benchmarks to drive growth in the Indian maritime sector by supporting projects that enhance port capacity and related infrastructure and businesses along with forward & backward linkages
- To provide a funding window for projects and/or implement residual projects that cannot be funded by any other means/ mode.
- To finance all activities, and initiatives relating to maritime sector including development, upgradation, renovation, replacement and augmentation of infrastructure and projects.
- To finance studies, surveys, investigations, startups, incubators, research on any project, activity, and to carry out any activity including consultancy, training, etc.

#### 4. **DIVIDEND:**

The Company has started paying dividends to its shareholders from this financial year for the very first time. The Company had paid interim dividend Rs. 3,50,00,000/- @ Rs. 0.035 per share of Rs.10/- each during FY 2024-25, further the Board of Directors of the Company has recommended final dividend of Rs. 15,88,98,361/- @ Rs. 0.15890 per equity share on the face value of the paid-up equity shares of Rs. 10/- per share for the FY 2024-25.

Dividend	Amount (Rs.)	% of Paid up capital	Rs. per Share
First Interim Dividend	3,50,00,000	0.35%	0.035
Final Dividend	15,88,98,361	1.589%	0.15890
Total Dividend	19,38,98,361	1.939%	0.19390

#### 5. **TRANSFER TO RESERVES**

The Board of Directors of your Company has decided not to transfer any amount to the reserves for the year under review.

#### 6. **REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES**

During the financial year under review the financial position of Subsidiaries and Associates Companies of the Company is as under:

- India Ports Global Limited, Wholly Owned Subsidiary Company earned a profit of Rs. 2,342.44 lakhs based on consolidated financial statement.
- Krishnapatnam Railway Company Limited, Associate Company, earned a profit of Rs. 8,127.68 lakhs
- Haridaspur Paradip Railway Company Limited, Associate Company, earned a profit of Rs. 12,278.19 lakhs.
- Vishakhapatnam Port Road Company Limited, Associate Company, earned a profit of Rs. 4,130.55 lakhs
- Calcutta-Haldia Port Road Company Limited recorded a loss of Rs.3,370 lakhs.
- Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited, has not commenced any business during the year.

#### 7. **DEPOSITS:**

The Company had not accepted any deposits from the public/ shareholders within the meaning of Chapter V of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

**8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO:**

**i. Conservation of Energy:**

i.	The steps taken or impact on conservation of energy	The operations of the Company are not energy intensive. However, adequate measures have been initiated for conservation of energy, i.e., use of LED bulbs in registered office of the Company.
ii.	The steps taken by the company for utilizing alternate sources of energy	Not Applicable
iii.	The capital investment on energy conservation equipment.	Not Applicable

**ii. Technology Absorption:**

i.	the efforts made towards technology absorption	Not Applicable
ii.	the benefits derived like product improvement, cost reduction, product development or import substitution	Not Applicable.
iii.	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)  a) the details of technology imported. b) the year of import. c) whether the technology been fully absorbed d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	Not Applicable.
iv.	the expenditure incurred on Research and Development.	Not Applicable.

**iii. Foreign Exchange Earning and Outgo:**

There were no Foreign Exchange Earnings and Outgo during the year under review.

**9. ANNUAL RETURN OF THE COMPANY:**

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the Annual Return in Form MGT-7 for the financial year under review is available on the website of the company at <https://www.sdclindia.com/financial>

**10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The provisions of Section 186 of the Companies Act 2013 are not applicable to the Company vide notification no. GSR 463 (E) dated 05<sup>th</sup> June 2015. However, Company has made following investments till date in the form of equity:

Sr. No	Name of Company	FY of Investment	Investment in Rs.	No. of Equity Shares Acquired	% of holding
1	Krishnapatnam Railway Company Limited (KRCL)	2018-19	1,25,00,00,000.00	12,50,00,000	20%
2	India Ports Global Limited (IPGL)	2018-19	10,00,00,000.00	10,00,000	100%
3	Haridaspur Paradip Railway Company Limited (HPRCL)	2019-20 & 2020-21	3,36,78,80,580.00	33,67,88,058	25.91%
4	Calcutta-Haldia Port Road Company Limited (CHPRCL)	2015-16	50,00,00,000.00	2,00,00,000	3.28%
5	Vishakhapatnam Port Road Company Limited (VPRCL)	2015-16	20,00,00,000.00	2,00,00,000	25.87%
6	Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited	2024-25	4,90,000.00	49,000	49%

Above two investments in CHPRCL and VPRCL were made by MoPSW before incorporation of SMFCL through Kolkata Port Trust and Vishakhapatnam Port Trust respectively and later shares were transferred to the Company.

**11. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

As on 31<sup>st</sup> March, 2025, the details of Board of Directors and Key managerial personnel (KMP) of SMFCL are as under:

Sr. No	Name of Director and KMP	Designation
1.	Shri T. K Ramachandran	Chairperson
2.	Shri Dilip Kumar Gupta	Managing Director
3.	Shri R. Lakshmanan	Government Nominee Director
4.	Shri Venkatesapathy S.	Government Nominee Director
5.	Shri Ananga Charan Nayak	Director (Finance) and Chief Financial Officer
6.	Shri Maanas Srivastava	Company Secretary

**The changes in Directors of the Company during the FY 2024-25 are as below:**

Sr.	Name of Director	Designation	Date of Appointment	Date of Cessation
1	Shri Bhushan Kumar	Govt. Nominee Director	16/06/2020	27/05/2024
2	Shri Sushil Kumar	Govt. Nominee Director	14/11/2022	01/08/2024
3	Shri R. Lakshmanan	Govt. Nominee Director	27/05/2024	-
4	Shri Venkatesapathy S.	Govt. Nominee Director	01/08/2024	-
5	Dr. Rachana Agarwal	Independent Director	10/12/2021	09/12/2024
6	Shri Yogesh Jentibhai Badani	Independent Director	10/12/2021	09/12/2024

**The changes in Directors of the Company after 31<sup>st</sup> March, 2025 are as under:**

<b>Sr. No</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>
1	Shri LVS Sudhakar Babu	Managing Director	06/11/2025	-
2	Shri Vijay Kumar	Chairman	01/10/2025	-
3	Shri T. K. Ramachandran	Chairman	19/06/2023	30/09/2025
4	Shri Vikas Narwal	Managing Director (Additional Charge)	06/07/2025	05/10/2025
5	Shri Dilip Kumar Gupta	Managing Director	06/07/2018	05/07/2025
6	Shri Sambandham Thirumalai Selvam	Director – (Projects)	24/09/2025	-
7	Shri Ananga Charan Nayak	Director (Projects) Additional Charge	08/11/2024	23/09/2025

## **12. MEETINGS OF THE BOARD OF DIRECTORS:**

During the financial year under review, six board meetings were held as under:

<b>Sr. No.</b>	<b>Number of Board Meeting</b>	<b>Date of Board Meeting</b>
1	40 <sup>th</sup> Board Meeting	13 <sup>th</sup> June, 2024
2	41 <sup>th</sup> Board Meeting	3 <sup>rd</sup> October, 2024
3	42 <sup>th</sup> Board Meeting	28 <sup>th</sup> October, 2024
4	43 <sup>th</sup> Board Meeting	19 <sup>th</sup> December, 2024
5	44 <sup>th</sup> Board Meeting	13 <sup>th</sup> January, 2025
6	45 <sup>th</sup> Board Meeting	25 <sup>th</sup> March, 2025

The attendance of directors in the board meetings is as under:

<b>Sr</b>	<b>Name of Directors</b>	<b>Designation</b>	<b>No. of Board Meetings</b>	
			<b>Entitled</b>	<b>Attended</b>
1	Shri T. K Ramachandran	Chairman	6	6
2	Shri Dilip Kumar Gupta	Managing Director	6	5
3	Shri Sushil Kumar Singh	Govt. Nominee Director	1	1
4	Shri R. Lakshmanan	Govt. Nominee Director	5	4
5	Shri Venkatesapathy S.	Govt. Nominee Director	5	2
6	Dr. Rachana Agarwal	Independent Director	3	3
7	Shri Yogeshbhai Jentibhai Badani	Independent Director	3	3
8	Shri Ananga Charan Nayak	Director (Finance)	6	6

## **13. COMPOSITION OF COMMITTEES OF THE BOARD:**

### **a) Audit Committee:**

As on 31<sup>st</sup> March, 2025, the Audit Committee comprised as below:

<b>Sr.</b>	<b>Name</b>	<b>Designation</b>
1	Shri R. Lakshmanan	Chairperson
2	Shri Venkatesapathy S.	Member
3	Shri Ananga Charan Nayak	Member

Dr. Rachana Agarwal and Shri Yogesh Badani, who were the Members of the Audit Committee, completed their term as Independent Directors on 9th December, 2024. The Board accordingly reconstituted the Committee and inducted Shri R. Lakshmanan and Shri Venkatesapathy S. as members in the Audit Committee. As SMFCL is a Government Company, all Director appointments, including Independent Directors, are made by the Government of India. The Audit Committee will be reconstituted once the new Independent Directors are appointed.

**b) Meetings of Audit Committee:**

During the financial year under review, five Audit Committee Meetings were held as under:

Sr. No	Meeting Number	Date of Meeting
1	13 <sup>th</sup> Audit Committee Meeting	8 <sup>th</sup> June, 2024
2	14 <sup>th</sup> Audit Committee Meeting	3 <sup>rd</sup> October, 2024
3	15 <sup>th</sup> Audit Committee Meeting	25 <sup>th</sup> October, 2024
4	16 <sup>th</sup> Audit Committee Meeting	13 <sup>th</sup> January, 2025
5	17 <sup>th</sup> Audit Committee Meeting	20 <sup>th</sup> March, 2025

The attendance of members of the committee in the meetings is as under:

Sr. No.	Name	No. of Meetings	
		Entitled	Attended
1	Shri R. Lakshmanan	2	2
2	Shri Venkatesapathy S.	2	2
3	Shri Ananga Charan Nayak	5	5
4	Shri Yogeshbhai Jentibhai Badani	3	3
5	Dr. Rachana Agarwal	3	3

**c) Nomination & Remuneration Committee:**

As on 31<sup>st</sup> March, 2025 the Nomination & Remuneration Committee comprised as below:

Sr. No.	Name	Designation
1	Shri R. Lakshmanan	Chairperson
2	Shri Venkatesapathy S.	Member

In view of the cessation of Shri Sushil Kumar, Shri R. Lakshmanan was appointed as a Member of the Nomination and Remuneration Committee. Further, Dr. Rachana Agarwal and Shri Yogesh Badani, who were the members of the Nomination and Remuneration Committee, completed their term as Independent Directors on 9th December, 2024. The Board accordingly reconstituted the Committee and inducted Shri Venkatesapathy S. as a Member of the Committee. As SMFCL is a Government Company, all Director appointments, including Independent Directors, are made by the Government of India. The Committee will be reconstituted once the new Independent Directors are appointed.

**d) Meetings of Nomination & Remuneration Committee:**

During the financial year under review, four Nomination & Remuneration Committee Meetings were held as under:



Sr. No.	Meeting Number	Date of Meeting
1	10 <sup>th</sup> NRC Meeting	10 <sup>th</sup> May, 2024
2	11 <sup>th</sup> NRC Meeting	8 <sup>th</sup> June, 2024
3	12 <sup>th</sup> NRC Meeting	3 <sup>rd</sup> October, 2024
4	13 <sup>th</sup> NRC Meeting	20 <sup>th</sup> March, 2025

The attendance of members of the committee in the meetings is as under:

Sr. No.	Name	No. of Meetings	
		Entitled	Attended
1	Shri R. Lakshmanan	1	1
2	Shri Venkatesapathy S.	1	1
3	Dr. Rachana Agarwal	3	3
4	Shri Yogeshbhai Jentibhai Badani	3	3
5	Shri Sushil Kumar	2	2

#### 14. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

During the financial year under review one meeting of Independent Directors was held on 3<sup>rd</sup> October, 2024. Both the independent directors attended the said meeting.

#### 15. SHAREHOLDERS GENERAL MEETINGS:

- i) The details of last three Annual General Meeting (AGM) of SMFCL are as under:

8 <sup>th</sup> AGM	Thursday, the 19 <sup>th</sup> December, 2024 at 5:00 P.M. at Room No. 414, Transport Bhawan, Parliament Street, New Delhi-110001 with an option for the members to participate in the meeting through VC/OAVM (Hybrid mode)
7 <sup>th</sup> AGM	Friday, 22 <sup>nd</sup> December, 2023 at 5:40 p.m. at Secretary Office, Room No. 414, Transport Bhawan, Parliament Street, New Delhi – 110001 in hybrid mode
6 <sup>th</sup> AGM	Wednesday, 28 <sup>th</sup> December, 2022 at 1:30 P.M. at Secretary Office, Room No. 401, Transport Bhawan, Parliament Street, New Delhi – 110001

- ii) No special resolution was passed in the previous three AGMs of SMFCL.

#### Extraordinary General Meeting (EGM):

EGM (No.1/2025-26)	Tuesday, 27 <sup>th</sup> May, 2025 at 4:15 (IST) at Room No. 414, Transport Bhawan, Parliament Street, New Delhi-110001
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Two special resolutions were passed unanimously in the EGM for following matters

1. Change of name of the company and corresponding Amendments in memorandum of association and articles of association of The company
2. Alteration in main object clause of Memorandum of Association of the company

#### iii) Details 9<sup>th</sup> AGM of the current year are as under:

9 <sup>th</sup> AGM	Friday, 21 <sup>st</sup> November, 2025 at 4:45 (IST) at Room No. 414, Transport Bhawan, Parliament Street, New Delhi-110001
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**16. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:**

During the Financial year, the necessary declaration from each Independent Director has been received pursuant to Section 149 (6) of the Companies Act, 2013.

**17. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:**

The provisions of Sub-Sections (2), (3) and (4) of section 178 of the Companies Act, 2013 shall not apply to Government company except regarding appointment of 'senior management' and other employees vide Notification No. G.S.R. 463(E) dated 5th June, 2015. The Company has framed a remuneration policy on the remuneration of the Directors, KMPs and employees. The policy is available on SMFCL's website at following link:

<https://www.sdclindia.com/admin/images/documents/Remuneration%20Policy.pdf>

**18. AUDITORS AND AUDITORS' REPORT**

**a) Statutory Auditors:**

M/s P. K. Chopra & Co., Chartered Accountants, New Delhi was the Statutory Auditors of the Company for the FY 2024-25. They have audited the Financial Statements for FY 2024-25 and submitted their report which forms part of this. There is no qualification in the Auditors Report on the Financial Statements of the company. Notes to the Accounts referred to in the Auditors Report are self-explanatory and therefore do not call for any further comments.

Further, in pursuance of provisions of Section 143(6) of Companies Act, 2013, the Comptroller & Auditor General of India has conducted the supplementary audit and noted 'Nil Comments' on the financial statements of standalone and consolidated accounts of Sagarmala Finance Corporation Limited in their report.

**b) Report/Comments by Comptroller & Auditor General of India (C&AG):**

C&AG report/Comments on audited Financial Statements of the Company has been received and is annexed as **Annexure -2**.

**c) Secretarial Auditor:**

Your Company had engaged M/s VAPN & Associates, Company Secretaries for FY 2024-25 . The Secretarial Audit Report is annexed herewith **Annexure – 3**. The observations of the Secretarial Auditor and reply of the management on the observations for the FY 2024-25 are annexed along with said audit report.

**19. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER IN THE STATUTORY AUDITORS REPORT ( KRCL)**

The explanations and the management reply of the Krishnapatnam Railway Company Limited (KRCL) Associate Company on the qualified opinion by the Statutory Auditors in their audit report of the consolidated financial statements is annexed as **Annexure 4**.

**20. RELATED PARTY TRANSACTIONS:**

Form No. AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure 5**.

**21. MATERIAL CHANGES POST 31<sup>ST</sup> MARCH, 2025:**

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, except as stated in this report at Sl.No.3.

**22. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS WHICH IMPACT THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

During the year under review, there are no significant and material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**23. A STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY:**

The business has its own risks, and the Company takes full cognizance of the fact that these risks can have a serious impact on the operations of the Company as well as on its profitability. To ensure that the impact of risks is minimal, the company lay utmost importance on scanning the external environment regularly. Your Company has established a comprehensive policy framework for management of risks. The Risk Management Framework/policy majorly encompasses credit risk, market risk as well as operational risk management. The Risk Management Policy, duly approved by the Board of Directors, will be refined periodically based on emerging market trends and own experience.

**24. THE DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR:**

The Company has in place the CSR Policy and is available on SMFCL's website at following link:

<https://www.sdclindia.com/admin/images/documents/csrdocument-CSR%20Policy.pdf>

The Annual Report on CSR activities pursuant to Section 135 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure 6**.

**25. ESTABLISHMENT OF VIGIL MECHANISM:**

Your Company has established stringent vigil mechanism by way of implementing various codes and policies like fair practices code, code of conduct and whistle blower policy. The details are also posted on the company's website.

**26. EVALUATION OF THE BOARD, COMMITTEES, CHAIRMAN, AND INDIVIDUAL DIRECTOR:**

The provisions of clause (p) of sub-section (3) of Section 134 are not applicable to the Company vide Exemption Notification dated 05<sup>th</sup> June, 2015. Hence the evaluation has to be done by the administrative Ministry in charge as per its own valuation methodology. The Board is not required to do any evaluation.

**27. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

There exists an efficient internal control system in the Company and internal audit function continuously monitors the efficacy of internal financial controls with the objective of providing to the Audit Committee and the Board of Directors, reasonable assurance on the adequacy and effectiveness of the organization's control and governance processes. The scope and authority of the Internal Audit is derived from the approval by the Audit Committee.

During the year 2024-25, the Audit Committee met to review the reports submitted by the Internal Auditors. Audit Committee also reviews adequacy and effectiveness of the Company's internal control environment. Detailed delegation of power exists to ensure smooth decision making process towards approving revenue and capital expenditure. Audit Committee also met the Company's Statutory Auditors to ascertain their views on financial statements, including the financial reporting system, compliance with accounting policies and procedures, the adequacy and effectiveness of the internal control systems followed by the company.

## **28. CORPORATE GOVERNANCE:**

Corporate governance is the framework of rules, practices, and processes by which a company is directed and controlled. It governs the relationships among key stakeholders including shareholders, management, employees, customers, suppliers, regulators, and the community at large. The objective of corporate governance is to ensure responsible management of the business with a view to maximizing long-term value creation while safeguarding the interests of all stakeholders.

As a responsible corporate citizen, the Company is committed to maintaining the highest standards of corporate governance through practices built on transparency, fairness, professionalism, accountability, and ethical conduct. By fostering trust and confidence among stakeholders, the Company seeks to ensure sustainable growth and long-term success. The Company's governance philosophy is to oversee business strategies with integrity, ensure fiscal accountability, and uphold fairness to all stakeholders, comprising investors, employees, customers, suppliers, regulators, and society at large. The Compliance Certificate on Corporate Governance Report for the Financial Year ended on 31st March, 2025 provided by M/s VAPN & Associates, Company Secretaries is enclosed as **Annexure -7**. The observations of the M/s VAPN & Associates, Company Secretaries and reply of the management on the observations is annexed along with the said certificate.

### **OTHER DISCLOSURES IN TERMS OF DPE GUIDELINES ON CORPORATE GOVERNANCE:**

#### **A) DISCLOSURES:**

**i. Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large:**

There are no such transactions in the period under review.

**ii. Details of non-compliance by the company, penalties, strictures imposed on the company by any statutory authority, on any matter related to any guidelines issued by Government, during the last three years.**

There are no such transactions in the period under review.

**iii. Whistle Blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

The Company has in place the "Whistle Blower Policy", in compliance of the provisions of the Companies Act, 2013 and DPE Guidelines on Corporate Governance. The Whistle Blower Policy enables Directors, employees, and stakeholders to report genuine concerns about unethical behaviors, actual or suspected fraud or alleged malpractice or wrong doing. The policy facilitates safe and secure ways to make these disclosures and safeguards the rights and interests of the employees disclosing any fraudulent activities. This policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Audit Committee in exceptional cases. The policy is available

on SMFCL's website at following link:

<https://www.sdclindia.com/admin/images/documents/csrdocument-Whistle%20Blower%20Policy.pdf>

Pursuant to the Whistle Blower Policy, no complaint was received during the year under review. Further, a declaration by the Managing Director that no person has been denied access to the Competent Authority under the said policy during the financial year 2024-25 and that necessary system has been put in place to provide protection to the complainant, wherever required, is as under:

**Annual Affirmation in terms of Whistle Blower Policy of the Company**

During the financial year 2024-25, no person has been denied access to the Competent Authority and necessary system has been put in place, to provide protection to the complainant, wherever required.

Date: 30-09-2025

Place: New Delhi

s/d

**VIKAS NARWAL**  
**Managing Director**  
DIN: 07884369

**iv. Details of compliance with the requirements of DPE guidelines:**

The certificate on corporate governance report for the Financial Year ended on 31<sup>st</sup> March, 2025 provided by M/s VAPN & Associates, Company Secretaries is attached as Annexure 7. The observations of M/s VAPN & Associates, Company Secretaries and reply of the management is annexed along with the said certificate.

**v. Details of Presidential Directives issued by the Central Government and their compliance during the year and also in the last three years:**

During the financial year under review no Presidential Directives were issued, however, the Ministry of Port, Shipping and Waterways, Government of India vide letter No. m-25021/18/2019-SM (Pt 1) (e336750) dated 3<sup>rd</sup> May, 2023 has sanctioned the implementation of 3<sup>rd</sup> Pay revision for Board level and below Board level Executives w.e.f. 01.01 2017 in SMFCL. The internal auditors of the company had also reported that SMFCL has implemented the said pay revision.

**vi. Items of expenditure debited in books of accounts, which are not for the purposes of the business:**

Nil

**vii. Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management:**

Nil

**viii. Details of Administrative and office expenses as a percentage of total expenses vis-a-vis financial expenses and reasons for increase:**

The details are as under:

FY 2024-2025		Administrative and Office Expenses, % of Total Expenses		Reason For Increase in Administrative and Office Expenses(A&O), % of Total Expenses
Administrative & Office Expenses Rs. in Lakhs	Total Expenses during the year Rs. in Lakhs	F.Y. 2024-25	F.Y. 2023-24	
790.11	958.31	82.45	81.67	There is a minor increase of 0.78%

FY 2024-2025		Finance Cost, % of Total Expenses		Reason For Increase
Financial Expenses INR in Lakhs	Total Expenses during the year INR in Lakhs	FY 2024-25	FY 2023-24	
16.80	958.31	1.75	2.49	NA

**B) MEANS OF COMMUNICATION:**

The Company recognizes communication as a key element of the overall Corporate Governance framework and therefore emphasizes continuous, efficient, and relevant communication to all the stakeholders. The Company communicates with its shareholders and all stakeholders through its annual report, general meeting, newspapers, and disclosures through website. The website of SMFCL is [www.sdclindia.com](http://www.sdclindia.com). All the required financials statements, policies, advertisements, and other official communications as per the requirements are posted on the website of the Company on regular basis.

**C) Contact details of the Company Secretary:**

Shri Maanas Srivastava  
Email: [cs@sdclindia.com](mailto:cs@sdclindia.com)  
1st Floor, 124, Thapar House, Gate No. 2,  
Janpath Lane, New Delhi-110001  
Ph. No. 011-21400754

**D) REMUNERATION OF DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)**

**Remuneration of Managing Director and Director (Finance)**

The salary and allowances of the Functional Directors are fixed by the Administrative Ministry i.e., Ministry of Ports, Shipping and Waterways (MoPSW). Remuneration paid to Managing Director and Director (Finance) during FY 2024-25 was as per terms and conditions of their appointment. The remuneration paid to the Managing Director and Director (Finance) during FY 2024-25 is as under:

Name	Shri Dilip Kumar Gupta	Shri Ananga Charan Nayak
Designation	Managing Director	Director (Finance)
Salary (Rs.)	49,08,886	36,17,307.00
Benefits (Rs.)	1,06,483	1,37,510
Post employment Benefits (Rs.) (PF & NPS)	-	10,67,724
Total (Rs.)	50,15,369.00	48,22,541.00



**Service Contracts, Notice period, severance fees:**

As per the terms and conditions, the appointment of Shri Dilip Kumar Gupta as Managing Director was till 5<sup>th</sup> July, 2025. The appointment of Shri Ananga Charan Nayak as Director (Finance) is for a period of Five years or until further orders whichever is the earliest w.e.f. 13<sup>th</sup> February, 2023. He is also having the additional charge of Chief Financial Officer with no extra remuneration. The appointment of Shri Sambandham Thirumalai Selvam as Director projects is w.e.f. 24<sup>th</sup> September, 2025 till the date of superannuation, i.e. 30<sup>th</sup> June, 2029, or until, further orders, whichever is earlier. Notice period and severance fee is nil in respect of whole-time directors as the appointment is done by the Appointments Committee of the Cabinet (ACC). There is No Stock Options in SMFCL.

**Remuneration to other Key Managerial Personnel**

Name	Designation	Salary Rs.	Benefits (leave encashment & Medical) Rs.	Post employment Benefits (PF & NPS) Rs.	Bonus /Performance Link Incentive Rs.	Total Rs.
Shri Maanas Srivastava	Company Secretary	20,28,028	97,031	4,50,983	-	25,76,042

**Remuneration of Independent Directors**

The Non-Executive Directors i.e. Independent Directors (except Government Nominee Director) are paid sitting fees of Rs. 25,000/- for attending each meeting of the Board of Directors and the Committee(s) thereof, which is well within the limits prescribed under the Companies Act, 2013 and Rules made thereunder. During the Financial year 2024-25, the details of remuneration paid to Independent Directors towards sitting fee for attending the Board & Committees Meetings (excluding GST), were as under:

Name of Independent Directors	Sitting Fee (Rs.)
Dr. Rachana Agarwal	2,50,000/-
Shri Yogeshbhai Jentibhai Badani	2,50,000/-

Apart from the above, the Non-Executive Directors do not have any material pecuniary relationship or transaction with the Company, except to the extent of payment / reimbursement towards air tickets, hotel accommodation, hiring of vehicle, out-of-pocket expenses, local conveyance etc., if applicable, in respect of attending the meetings of the Board or Committees thereof. Further, the Government Nominee Director is not entitled to receive any sitting fees from the Company, as per the norms of Government of India

**Remuneration of Government Nominee Directors/ Part time Director**

No remuneration either by way of salary/allowances or sitting fee was paid to a Government Nominee Director representing Ministry of Ports, Shipping and Waterways (MoPSW) during FY 2024-25.

**DETAILS OF OTHER SENIOR MANAGEMENT:**

The present details of senior management are as follows:

1. Shri Amit Kumar Verma  
General Manager (Projects & Operations)
2. Shri Sachin Goel  
General Manager (Finance & Accounts)

**29. PARTICULARS OF EMPLOYEES:**

SMFCL being a Government Company, the provisions of Section 197(12) of the Companies Act, 2013 and relevant Rules issued thereunder, are not applicable as per the notification dated 5<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs. The terms and conditions of the appointment of Functional Directors are subject to the applicable guidelines issued by the Department of Public Enterprises (DPE), Government of India from time to time.

**30. DISCLOSURES OF MANAGEMENT DISCUSSION AND ANALYSIS REPORT AS PER THE REQUIREMENT OF DPE GUIDELINES:**

**i. Industry Structure and Development:**

The maritime industry is one of the most complex and strategically vital sectors of the global economy, bringing together diverse players across transport, logistics, regulation, engineering, finance, and insurance. These verticals and horizontals are deeply intertwined, making the sector a true backbone of trade, commerce, and connectivity.

To unlock this potential, the Government of India has articulated the Maritime India Vision 2030 (MIV 2030)—a bold and transformative roadmap designed to accelerate the growth of the sector and position India at the forefront of the global maritime stage.

The key pillars of MIV 2030 include:

- **Port Modernization & Capacity Expansion** – Developing world-class, future-ready ports with cutting-edge infrastructure and smart automation.
- **Digitalization & Innovation** – Leveraging technology, data analytics, and digital platforms to enhance efficiency and transparency.
- **Sustainable & Green Shipping** – Promoting decarbonization, renewable energy, and eco-friendly practices in line with global climate goals.
- **Shipbuilding & Repair Ecosystem** – Expanding domestic shipbuilding, repair, and recycling to strengthen India's industrial base.
- **Logistics & Multimodal Connectivity** – Reducing logistics costs through seamless integration of ports with road, rail, and inland waterways.
- **Global Collaboration & Investment** – Attracting international partnerships and private capital to establish India as a maritime hub.

At the heart of this transformation lies the need for strategic financing. Large-scale infrastructure development, green transition, and technology adoption demand innovative financial solutions and sustainable capital flows. Sagarmala Finance Corporation Limited (SFCL) will play a pivotal role in bridging this gap—mobilizing resources, structuring investments, and catalyzing private sector participation to ensure that the ambitious targets of MIV 2030 translate into reality. By aligning financing with national priorities, SFCL is committed to strengthening India's maritime ecosystem and driving long-term value creation for stakeholders, while contributing to the country's aspiration of becoming a global maritime leader.

**ii. Strengths and weaknesses:**  
**Strengths**

- The maritime sector is the backbone of India's trade, handling nearly 90% of trade volume and 70% of trade value, and is poised for manifold growth in the coming decades.

- Significant improvements in operational efficiencies have accelerated infrastructure development and asset additions across ports, shipping, and waterways.
- Inland Waterways Transport has grown steadily, with its cargo modal share rising from 0.5% in 2015 to 2% at present, with a target of 5% by 2030 across 5,000 km of navigable waterways.
- Globally, India ranks 2<sup>nd</sup> in ship recycling and around 20<sup>th</sup> in shipbuilding, while also being among the top 5 suppliers of trained seafarers, with 17% growth in seafarer numbers over the past three years.
- Sagarmala Finance Corporation Limited (SMFCL) is the only dedicated financing institution under the Ministry of Ports, Shipping and Waterways (MoPSW), uniquely positioned to play a pivotal role in maritime growth.
- Over time, SMFCL has project management expertise, enabling it to effectively support and catalyze present and future maritime initiatives.

#### **Weakness:**

The maritime sector faces a range of complex and evolving challenges, including:

- Environmental regulations and compliance requirements, including decarbonization and green shipping mandates.
- Geo-political tensions impacting global trade flows and maritime operations.
- Digitalization and technological integration, requiring constant upgrades to remain competitive.
- Rising operational and compliance costs.
- Security and real-time tracking vulnerabilities in supply chains.
- Shortage of specialized human resources to support advanced maritime operations.

### **iii. Opportunities and Threats:**

#### **Opportunities**

- The growth of India's maritime sector has led to a steady flow of investment proposals from ports, State Maritime Boards, State Tourism Boards, State Fisheries Departments, ship owners, and shipbuilders.
- There is currently a shortage of long-term finance at suitable terms in the sector.
- With NBFC registration, SMFCL has the opportunity to provide targeted financing, enabling project implementation and acting as a catalyst for the sector's development.

#### **Threats:**

- SMFCL currently has an authorized paid-up capital of Rs. 1,000 crore. Considering the future funding requirements of the maritime sector and regulatory limits on borrowing, additional capital infusion may be necessary.
- Establishing a robust risk mitigation framework will be critical to address financial, operational, and regulatory risks associated with large-scale maritime financing.

### **iv. Segment-wise or product wise performance:**

SMFCL does not have any separate reportable segments.

### **v. Outlook**

As the only dedicated financing institution under the Ministry of Ports, Shipping and Waterways (MoPSW), SMFCL is poised to emerge as the future sectoral financial institution for India's maritime sector. Historically, SMFCL has maintained a conservative approach, focusing primarily on equity investments in government-sector projects. With its recent registration as

a Non-Banking Financial Company (NBFC), SMFCL is expanding its mandate to include debt financing, a strategic move expected to significantly accelerate its growth trajectory and help address the long-term financing constraints faced by the maritime sector.

This expansion positions SMFCL to play a catalytic role in unlocking capital for ports, Special Purpose Vehicles (SPVs), shipbuilding, inland waterways, and other strategic maritime projects. Project proponents increasingly rely on SMFCL not only for funding but also for project development and management, leveraging the company's proven expertise in executing complex maritime initiatives.

With more planned investments and positive results from SPVs, revenue streams are expected to grow steadily. To fully capitalize on these opportunities, SMFCL will continue to scale and strengthen its operational, financial, manpower, regulatory, and legal systems, ensuring readiness to meet the sector's growing demands.

SMFCL is committed to shaping the future of India's maritime sector by providing innovative, sustainable, and timely financing solutions, thereby enabling India to emerge as a global maritime leader.

**vi. Risk and concerns:**

Your Company has established a comprehensive policy framework for management of risks. The Risk Management Framework majorly encompasses credit risk, market risk as well as operational risk management. The Risk Management Policy, duly approved by the Board of Directors, will be refined periodically based on emerging market trends and own experience. SMFCL is exposed to various risks in relation to financial instruments, some of them being market risk, credit risk and liquidity risk. The financial risk activities are governed by various policies and procedures. The financial risks and other risks are further categorized as below:

**a) Market Risk:** Market risk can be defined as the risk of losses on and off-balance sheet positions of the organization arising from adverse in market rates or prices such as interest rates, equity prices, foreign exchange rates, commodity prices and general credit spreads. In simple words, it can be defined as the risk to the company's earnings and capital due to changes in the market level of interest rates or prices of securities, foreign exchange, and equities, as well as the volatilities of those prices.

With progressive deregulation of interest rates and foreign exchange, market risk arising from adverse changes and fluctuations in movements market variables has become relatively more important. In the company, market risk may arise, broadly, in form of interest rate risk and foreign currency risk. SMFCL does not have any interest rate risk since it does not have any loans/borrowings on reporting date. Foreign exchange fluctuations is due to import of services for project related work from outside India from time to time. SMFCL does not have any hedging instruments to cover foreign exchange risk.

**b) Credit Risk:** Credit risk is defined as the possibility of losses associated with diminution in the credit quality of borrowers or counterparties. Losses stem from outright default due to inability or unwillingness of a customer or counterparty to meet commitments in relation to lending, settlement, and other financial transactions. Alternatively, losses result from reduction in security value arising from actual or perceived deterioration in credit quality.

SMFCL is exposed to credit risk for various financial instruments, for example advance to employees, security deposits, loans, and other receivables. The maximum exposure to credit risk is equal to carrying value of the financial assets.

- c) Financial instruments and cash deposits:** Credit risks from balances with banks and financial institutions are managed in accordance with investment guidelines. Investment in surplus funds is made with the approval of investment committee and based on quotes received from the various banks.

**Liquidity Risks:** Liquidity refers to the company's ability to maintain adequate cash balances to meet its repayment obligations on time, at a reasonable cost. Liquidity risk is defined as the risk to company's earnings or capital arising from its inability to meet its obligations as they fall due, without incurring significant costs or unacceptable losses. It also arises from its failure to recognize or address changes in market conditions that affect the ability to liquidate assets quickly with minimal loss in value.

SMFCL manages its liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash to determine any shortfalls. Short-term liquidity requirements consist mainly of expenses payable for project-related works, employees' dues, security deposits arising during the normal course of business of each reporting date. SMFCL maintains a sufficient balance in cash equivalent to meet its short term liquidity requirements.

- d) Investment Risk:** SMFCL had made investment in various Subsidiaries and Associates. The risk of deterioration in value of equity investment of SMFCL is dependent on the financial performance of its SPVs and other geopolitical environment. To mitigate the risks, SMFCL monitors the performance of Subsidiaries and Associates to mitigate the risks.

- e) Operational Risk:** Operational risk is defined as "the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events". Operational Risk Management allows the company to better identify, assess and mitigate the Operational Risks. An effective Operational Risk Management system and a robust level of operational resilience work together to reduce the frequency and the impact of Operational Risk events. SMFCL ensures that risks are not just managed but the company shall be resilient to operational disruptions.

**vii. Internal Control systems and their adequacy**

Information about Internal Control System and their adequacy is provided in Sr. No. 27 of this report.

**viii. Discussions on financial performance with respect to operational performance**

Information about standalone and consolidated financial performance is provided in Sr. No. 1 of this report. In the preparation of financial statements, the Company has followed Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2018, issued by the Ministry of Corporate Affairs, to the extent applicable.

**ix. Material developments in Human Resources, Industrial Relations front, including number of people employed:**

At present, SMFCL has seven below Board-level executives and two Board-level executives. SMFCL is in the process of recruiting six more below Board-level executives in various disciplines, namely Finance and Projects & Operations. Further, in view of the commencement of NBFC operations, a proposal for sanction of additional manpower across different disciplines has been submitted to the Government of India. Recruitment shall be undertaken upon receipt of approval to ensure smooth functioning of the Company's NBFC operations. Yoga programs were organized by SMFCL for the employees for their better well-being. The Industrial Relations within the Company have been very cordial and harmonious with the employees committing themselves entirely to the objectives of the Company. There were no man-days lost during the year under review.

**x. Environmental Protection and Conservation, Technological conversation, Renewable energy developments, Foreign Exchange Conversation**

**A. Environmental Protection**

SMFCL has a responsibility to protect the environment, not only for ethical and moral reasons but also for economic reasons in every aspect of its operations. SMFCL always encourages its employees to avoid the wastages of paper and unwanted printouts. It helps to reduce costs, increase efficiency, and improve the reputation

**B. Conservation of Energy**

The details are same as above explained in Para 8A of this Board Report

**C. Technology Absorption**

The details are same as above explained in Para 8B of this Board Report

**D. Foreign Exchange Earning and Outgo**

The details are same as above explained in Para 8C of this Board Report

**xi. Corporate social responsibility**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014 and DPE Guidelines, the company has undertaken various activities as per the CSR policy of the Company. CSR initiatives are taken up in line with the Schedule VII of the Companies Act, 2013. The Company has a Corporate Social Responsibility policy approved by the Board of Directors.

**31. SHAREHOLDING OF DIRECTORS**

The details of shares of the Company held by the Directors as on 31st March, 2025 are given below:

Sr. No	Name of Director	Number of Shares held
1	Shri R. Lakshmanan (Beneficiary Ownership is with President of India)	One

**32. CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR MANAGEMENT**

The code of business conduct and ethics for the Board Members and Senior Management is a comprehensive code applicable to all Directors and Members of Senior Management of your Company. It is in alignment with Company's vision and values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. The Code has been made available on the on SMFCL's website at following link:

<https://www.sdclindia.com/admin/images/documents/csrdocument-Code%20of%20Conduct.pdf>

Based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Managing Director is as under:

**Declaration under Code of Business Conduct and Ethics for Board Members and Senior Management**

All the members of the Board and Senior Management Personnel have affirmed compliance of the 'Code of Business Conduct & Ethics for Board Members and Senior Management' for the financial year ended on March 31, 2025.

Date: 30-09-2025

Place: New Delhi

s/d

**VIKAS NARWAL**  
**Managing Director**

DIN: 07884369

**33. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company is compliant with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**34. THE RIGHT TO INFORMATION ACT, 2005**

To promote transparency and accountability, an adequate mechanism has been set up across your Company in line with Right to Information Act, 2005. The Company follows Government instructions issued in pursuance of the Right to Information Act, 2005. During the review period, six cases of RTI were received and replied. There were no pending cases as on 31<sup>st</sup> March, 2025.

**35. INFORMATION UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

In line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (PoSH Act), an 'Internal Complaints Committee' has been constituted in the Company for redressal of complaint(s) against sexual harassment of women employees. The Committee aims at sensitizing employees and provide a healthy and congenial atmosphere to work. The cell is presided by a woman officer of the Company and includes an external member from NGO and two other members. During the Financial year 2024-25, the Company did not receive any complaint of sexual harassment.

**36. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a. In the preparation of the Annual Accounts for the financial year ended on 31<sup>st</sup> March, 2025 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended on 31<sup>st</sup> March, 2025, and of the profit of the company for the same period;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d. The directors had prepared the annual accounts on a going concern basis;
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

### **37. ACKNOWLEDGEMENTS**

The Directors whole-heartedly thank the Ministry of Ports Shipping and Waterways, Ministry of Corporate Affairs, DIPAM, DPE, and the Comptroller & Auditor General of India, for their support to the Company. Your directors wishes to place on record their sincere appreciation for the continued assistance and support extended to the Company by its, vendors, bankers, Government authorities and other associates. The Directors are grateful to Statutory Auditors, Secretarial Auditors and other professionals associated with the Company, for their support to management. Last but not the least, the Directors thank the employees and staff, for working relentlessly in pursuit of excellence.

**For and on behalf of the Board of Directors of  
Sagarmala Finance Corporation Limited**

**Date: 21-11-2025**  
**Place: New Delhi**

S/d  
**A.C. Nayak**  
Director (Finance)  
DIN: 10057433

S/d  
**LVS Sudhakar Babu**  
Managing Director  
DIN:05346362



**Form AOC- 1**

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies  
(Accounts) Rules, 2014)**

**Statement containing salient features of the financial statement of subsidiaries  
or associate companies or Joint ventures**

**Part A Subsidiaries**

1. Name of the subsidiary: India Ports Global Limited
2. The date since when subsidiary was acquired: 29-11-2018
3. Reporting period: 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025
4. Reporting currency: Indian Rupees
5. Share capital: Rs. 10,00,00,000/-
6. Reserves and surplus: Rs. 30,18,79,557.88/-
7. Total assets: Rs. 7,56,41,83,663.12/-
8. Total Liabilities: Rs. 7,56,41,83,663.12/-
9. Investments: NIL
10. Turnover: Rs. 79,21,09,341.26/-
11. Profit before taxation: Rs. 22,81,96,380.62/-
12. Provision for taxation: Rs. (-)60,47,843.43/-
13. Profit after taxation Rs. 23,42,44,224.05/-
14. Proposed Dividend: Nil
15. Extent of shareholding (in percentage): 100%
16. Names of subsidiaries which are yet to commence operations: Nil
17. Names of subsidiaries which have been liquidated or sold during the year. Nil

**Part B****Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:**

Sr No	Name of Associates or Joint Ventures	Haridaspur Paradip Railway Company Limited	Krishnapatnam Railways Company Limited	Vishakhapatnam Port Road Company Limited	Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited
1	Latest audited Balance Sheet Date	31.03.2025	31.03.2025	31.03.2025	31.03.2025
2	Date on which the Associate or Joint Venture was associated or acquired	18.02.2020	29.12.2018	30.09.2020	19.05.2023
3	Shares of Associate or Joint Ventures held by the company on the year end				
a)	No. of Shares held	33,67,88,058	12,50,00,000	2,00,00,000	49,000/-
b)	Amount of Investment in Associates or Joint Venture (Rs.)	3,36,78,80,580/-	1,25,00,00,000/-	20,00,00,000/-	4,90,000/-
c)	Extent of Holding (in percentage)	25.91%	20.00%	25.87%	49.00%
4	Description of how there is significant influence	Shareholding is more than 20%	Shareholding is more than 20%	Shareholding is more than 20%	Shareholding is more than 20%
5	Reason why the associate/Joint venture is not consolidated.	N.A.	N.A.	N.A.	N.A.
6	Net worth attributable to shareholding as per latest audited Balance Sheet (Rs. in Lakhs)	39251.23	12973.06	4966.37	4.90
7	Profit or Loss for the year				
i)	Considered in Consolidation (Rs. in Lakhs) Group Share of net Profit	3180.46	1413.71	1118.17	N.A.
ii)	Not Considered in Consolidation	---	---	---	N.A.

- Names of associates or joint ventures which are yet to commence operations: Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited
- Names of associates or joint ventures which have been liquidated or sold during the year: Nil

**For and on behalf of the Board of Directors of  
Sagarmala Finance Corporation Limited**

**Date: 21-11-2025**  
**Place: New Delhi**

S/d  
**A.C. Nayak**  
Director (Finance) & CFO  
DIN: 10057433

S/d  
**LVS Sudhakar Babu**  
Managing Director  
DIN: 05346362

**भारतीय लेखापरीक्षा और लेखा विभाग  
कार्यालय प्रधान निदेशक लेखापरीक्षा  
(नौवहन), मुंबई**



**INDIAN AUDIT AND ACCOUNTS DEPARTMENT  
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT  
(SHIPPING), MUMBAI.**

संख्या: पीडीए(नौवहन)/सीए-II/SFCL/लेखा/2024-25/352

Dt. 10/11/2025

अध्यक्ष एवं प्रबंध निदेशक,  
सागरमाला फाइनेंस कॉर्पोरेशन लिमिटेड,  
पहली मंजिल, 124, थापर हाउस,  
गेट नं.2, जनपथ लेन,  
नई दिल्ली 110001

**विषय: 31 मार्च 2025 को समाप्त वर्ष हेतु सागरमाला फाइनेंस कॉर्पोरेशन लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143(6) (बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ**

महोदय,

31 मार्च 2025 को समाप्त वर्ष हेतु सागरमाला फाइनेंस कॉर्पोरेशन लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143(6) (बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक के द्वारा दी गई टिप्पणियाँ इस पत्र के साथ संलग्न हैं। टिप्पणियों को मुद्रित वार्षिक प्रतिवेदन के विषयसूची में उचित संकेत सहित सांविधिक लेखापरीक्षक के प्रतिवेदन के आगे रखा जाए।

वार्षिक सामान्य बैठक के समापन के पश्चात वित्तीय विवरण, सांविधिक लेखापरीक्षा का प्रतिवेदन तथा भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियों को अपनाते हुए वार्षिक सामान्य बैठक की कार्यवाही की एक प्रतिलिपि इस कार्यालय को अविलम्ब अग्रेषित की जाए। मुद्रित वार्षिक प्रतिवेदन की पांच प्रतियाँ भी इस कार्यालय को भेजी जाये।

कृपया इस पत्र एवं संलग्नकों की प्राप्ति की सूचना दें।

भवदीय,

(विजय एन कोठारी)

प्रधान निदेशक लेखापरीक्षा (नौवहन)

संलग्नक: यथोपरि।

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL  
STATEMENTS OF SAGARMALA FINANCE CORPORATION LIMITED FOR THE  
YEAR ENDED 31 MARCH 2025**

The preparation of financial statements of Sagarmala Finance Corporation Limited for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24 September 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Sagarmala Finance Corporation Limited for the year ended 31 March 2025 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the  
Comptroller and Auditor General of India



(Vijay N. Kothari)  
Principal Director of Audit (Shipping)

Place: Mumbai

Date: 10.11.2025



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES  
ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SAGARMALA  
FINANCE CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2025**

The preparation of consolidated financial statements of Sagarmala Finance Corporation Limited for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24 September 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Sagarmala Finance Corporation Limited for the year ended 31 March 2025 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of India Ports Global Limited, Haridaspur Paradip Railway Company Limited and Krishnapatnam Railway Company Limited, but did not conduct supplementary audit of the financial statement of Vishakhapatnam Port Road Company Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the  
Comptroller and Auditor General of India



(Vijay N. Kothari)  
Principal Director of Audit (Shipping)

Place: Mumbai

Date: 10.11.2025



# VAPN & ASSOCIATES

COMPANY SECRETARIES

FORM No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025  
(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
Sagarmala Finance Corporation Limited  
(formerly known as Sagarmala Development Company Limited)  
CIN: U64920DL2016GOI305194  
1st Floor, 124, Thapar House, Gate No. 2,  
Janpath Lane, New Delhi-110001,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sagarmala Finance Corporation Limited (hereinafter called "**the Company**"). Secretarial audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conduct / statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(during the period under review not applicable to the Company);**
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there-under are complied with to the extent applicable. Further, MCA vide notification dated 22<sup>nd</sup> January, 2019 exempted Government Companies from dematerialization of shares and hence **the same is not applicable to the Company;**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI); and External Commercial Borrowing (ECB) **(during the period under review not applicable to the Company);**



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# VAPN & ASSOCIATES

COMPANY SECRETARIES

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(during the period under review not applicable to the Company);**
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(during the period under review not applicable to the Company);**
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(during the period under review not applicable to the Company);**
- (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(during the period under review not applicable to the Company);**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(during the period under review not applicable to the Company);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(during the period under review not applicable to the Company);**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(during the period under review not applicable to the Company);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(during the period under review not applicable to the Company);**

We have examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 as issued by the Department of Public Enterprises, Government of India ("DPE Guidelines"); and
- (iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(during the period under review not applicable to the Company).**

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:





# VAPN & ASSOCIATES

COMPANY SECRETARIES

- (i) The Company does not have the requisite number of Independent Directors on the Board as required under Section 149 (4) of the Act and Clause 3.1.4 of the Guidelines of Department of Public Enterprises w.e.f. December 10, 2024. Further, the presence of Independent Directors on the sub- committee of the Board is also required under various provisions of the Act. However, we have been informed by the management, the Company being a Government Company, all the Directors, including Independent Directors are appointed by Ministry of Ministry of Ports, Shipping and Waterways.
- (ii) The Company does not have at least one-woman Director on the Board as required under Section 149 (1) of the Act w.e.f. December 10, 2024.
- (iii) "As per the Guidelines issued by the Department of Public Enterprises, the number of Nominee Directors appointed by the Government/other CPSEs shall be restricted to a maximum of two. However, the Company presently has three (03) Nominee Directors on its Board, which is not in line with the said Guidelines.

**We further report that,**

## 1. COMPOSITION OF THE BOARD

The Company has complied with the requirements pertaining to the composition of the Board of Directors, which is to be constituted as per the Companies Act, 2013 and DPE Guidelines except w.e.f. December 10, 2024, in the absence of requisite number of Independent Directors and one-woman Director. Further, as per DPE Guidelines the number of Nominee Directors appointed by the Government shall be restricted to a maximum of two. However, there are 3 (Three) Nominee Directors on the Board of the Company. All the changes in the composition of the Board of Directors during the period under review were made in due compliance with the various provisions of the Act and DPE Guidelines on Corporate Governance for CPSE.

## 2. MEETINGS OF THE BOARD

Adequate notice was given to all directors to schedule the Board Meetings, Statutory Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except few Board Meetings and Committee Meetings which were held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meeting duly recorded and signed by the Chairman, all the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors/ Members present during the meeting and no dissenting views have been recorded.



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# VAPN & ASSOCIATES

COMPANY SECRETARIES

### 3. SYSTEMS AND PROCESSES FOR COMPLIANCE WITH APPLICABLE LAWS, RULES, REGULATIONS AND GUIDELINES

Based on the information provided by the Company during the Audit Period and also on the review of quarterly compliance reports by the department concerned, taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanisms exist in commensurate with its size and operations, to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines

**We further report that** as on the date of issuance of this report the following events / actions occurred which had a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines etc.:

- (a) The members of the Company in Extra Ordinary General Meeting held on May 27, 2025, approved the Change of name of the Company from "**Sagarmala Development Company Limited**" to "**Sagarmala Finance Corporation Limited**". A fresh certificate of incorporation consequent upon name change of the Company was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi (RoC) on June 05, 2025 in the name of **Sagarmala Finance Corporation Limited**.
- (b) The members of the Company in Extra Ordinary General Meeting held on May 27, 2025, approved the alteration in the Memorandum of Association of the Company with respect to addition of sub clause (6) and (7) after sub clause (5) of clause III (A) of the Memorandum of Association of Company. A fresh certificate of incorporation consequent upon object change of the Company was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi (RoC) on June 09, 2025

**For VAPN & Associates**  
Practicing Company Secretaries  
ICSI Unique Code: P2015DE045500  
Peer Review Certificate No.975/2020



  
**Prabhakar Kumar**  
Partner

FCS No: 5781 | COP No: 10630  
ICSI UDIN: F005781G001378163

Date: September 29, 2025  
Place: New Delhi

**Note:** This report is to be read with our letter of even date which is annexed as 'ANNEXURE' and forms an integral part of this report.



# VAPN & ASSOCIATES

COMPANY SECRETARIES

## 'ANNEXURE A'

To,  
The Members,  
**Sagarmala Finance Corporation Limited**  
*(formerly known as Sagarmala Development Company Limited)*  
CIN: U64920DL2016GOI305194  
1st Floor, 124, Thapar House, Gate No. 2,  
Janpath Lane, New Delhi-110001

Our report of even date is to be read along with this letter.

- (1) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- (2) We have followed the audit practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
- (4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- (5) The compliance of the provisions of corporate laws, rules, regulations, and standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
- (6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.



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# VAPN & ASSOCIATES

COMPANY SECRETARIES

- (7) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.



For VAPN & Associates  
Practicing Company Secretaries  
ICSI Unique Code: P2015DE045500  
Peer Review Certificate No.975/2020

Prabhakar Kumar  
Partner

FCS No: 5781 | COP No: 10630  
ICSI UDIN: F005781G001378163

Date: September 29, 2025  
Place: New Delhi



**SMFCL EXPLANATION ON OBSERVATIONS OF THE SECRETARIAL AUDITOR**

<b>Observation of the Secretarial Auditor</b>	<b>SMFCL Explanation</b>
<p>The Company does not have the requisite number of Independent Directors on the Board as required under Section 149 (4) of the Act and Clause 3.1.4 of the Guidelines of Department of Public Enterprises w.e.f. December 10. 2024. Further, the presence of Independent Directors on the sub- committee of the Board is also required under various provisions of the Act. However, we have been informed by the management, the Company being a Government Company, all the Directors, including Independent Directors are appointed by Ministry of Ministry of Ports. Shipping and Waterways.</p>	<p>SMFCL being a Government Company The appointments of all the Directors including the Nominee Directors are made by the Administrative Ministry only.</p> <p>The tenure of Dr. Rachana Agarwal and Shri Yogesh Badani as independent Directors completed on 9<sup>th</sup> December, 2024. The appointment of new independent directors will be made by the Government of India.</p>
<p>The Company does not have at least one-woman Director on the Board as required under Section 149 (1) of the Act w.e.f. December 10. 2024.</p>	<p>SMFCL being a Government Company The appointments of all the Directors including the woman Director is made by the Administrative Ministry only.</p> <p>The tenure of Dr. Rachana Agarwal as independent Director and woman director completed on 9<sup>th</sup> December, 2024. The appointment of new woman directors will be made by the Government of India.</p>
<p>"As per the Guidelines issued by the Department of Public Enterprises, the number of Nominee Directors appointed by the Government/other CPSEs shall be restricted to a maximum of two. However, the Company presently has three (03) Nominee Directors on its Board, which is not in line with the said Guidelines.</p>	<p>SMFCL being a Government Company The appointments of all the Directors including the Government Nominee Directors are made by the Administrative Ministry only.</p>

**MANAGEMENT REPLIES (BASED ON KRCL REPLIES) TO STATUTORY AUDIT OBSERVATIONS ON AUDITED FINANCIAL STATEMENTS FOR FY 2024-25**

Sl. No.	Auditor's Comments for Financial Year 2024-25	Management Replies
	<b>Basis for Qualified Opinion:</b>	
1	<p>Monthly freight/revenue collection and apportionment sheet are being received from South Central Railway ("SCR"), which are marked as "provisional". Difference arises, if any, are being accounted for in the period of identification. Thus, the financial statements are drawn on the strength of such provisional revenue. Further, as stated in Note 19(i)(d), all supporting evidences related to revenue booking are being controlled and managed by the SCR. The same are not available with the company for verification, hence, the same could not be verified.</p>	<p>It is the practice of Zonal Railway Administration to furnish statements of Revenue or O&amp;M or any other amount paid, to be marked as 'Provisional'.</p> <p>Thus, KRCL does not have any control over the practices followed by the Railway Administration (SCR).</p> <p>The supporting Documents for calculation of apportioned revenue are not provided by SCR to the Company. However, RR wise reconciliation is carried out every month by concerned Officers of KRCL with the Traffic Revenue Officer of SCR in order to arrive at correct revenue apportionment amount of KRCL. Also, systematic records are maintained by KRCL of daily and monthly loading. Revenue Statements are always checked by officers of KRCL at Secunderabad. Copies of all revenue statements certified by CFO/KRCL and Expert (O&amp;C)/KRCL have been furnished to Audit team. A few examples of daily loading details as well as Monthly loading details provided by SCR were also shown to the Auditors and matched, which were found correct.</p>
2	<p>Despite of contractual obligation in terms of the construction agreement with Rail Vikas Nigam Limited ("RVNL"), the company is neither paying nor providing towards departmental charges @ 5% of the project cost without obtaining any waiver or concession in the agreed terms of agreement. The company has estimated liability of Rs. 11453.05 lakhs being 5% of total project cost, which been considered as contingent liability (Refer Note- 38e) in the financial statements. In view of no accounting treatment of the said departmental charges, Other Intangible Assets and Other Financial Liabilities are</p>	<p>In terms of Construction Agreement with Rail Vikas Nigam Limited, Departmental Charges are payable to RVNL on the basis of 'final cost of work'. Since RVNL has not raised any invoice/claim in this regard, therefore, this amount has been treated as "Contingent Liability" in the Books of Accounts. The company has estimated provisionally the liability of Rs. 11453.05 lacs being 5% of total project cost, which has been considered as contingent liability.</p> <p>The Company has represented to RVNL for waiver of the Departmental Charges @5%. The issue is under consideration of RVNL. Hence, it would be logical to retain the amount of Departmental</p>

	understated to that extent. Further, had it been capitalized, the corresponding impact on profit/loss of the year due to amortization cost of intangible assets, not considered. The impact on financial statement is not ascertained by the Company.	Charges as Contingent Liability, till such time a final decision is mutually taken on this issue.
3	<p>(i) As per legal opinion obtained from Adv. Somnath Shukla by Company on charging of compound interest by Rail Vikas Nigam Limited ("RVNL"), it is opined that as per construction agreement there is no clause enabling RVNL to charge compound interest and interest referred in clause no. 11.5 of the contract is simple interest leviable on the amount of expenditure incurred by RVNL out of its own fund for execution of project. The total interest unpaid as on 30-09-2024 is Rs. 88995.17 lakhs. From 01-10-2024 RVNL is charging interest on simple interest basis. No adjustment is made with regard to compound interest charged and accounted upto 30-09-2024 by the Company in its financial statements. The amount of compounding impact is not ascertained by the Company, hence the impact on financial statement cannot be ascertained.</p> <p>(ii) As per clause no. 11.5 of construction agreement with RVNL interest to be charged "... upto the date of actual payment is received from KRCL", however it is noticed that RVNL has excess charged interest amounting to Rs. 125.14 lakhs for the financial year 2024-25. Hence interest expense and amount payable to RVNL are over stated by Rs. 125.14 lakhs and profit for the year and reserve and surplus are understated by Rs. 125.14 lakhs.</p>	<p>The issue of charging interest on interest, was taken up by KRCL with RVNL. Subsequently, RVNL has revised the methodology of charging interest from KRCL w.e.f. October 2024 and has started levying interest only on principal outstanding w.e.f. October 01, 2024.</p> <p>Impact of revised method of charging interest has already given by RVNL in its bill for the month of March 2025, and corresponding impact of the same is also taken in the books of accounts of KRCL.</p> <p>For revision of interest charged by RVNL upto 30.09.2024, on compounding basis, KRCL shall continue to dialogue/chase up with RVNL. However, a decision has not yet arrived at between KRCL &amp; RVNL on this matter and the interest charged by RVNL from KRCL is booked in the books of accounts as per the bills and concept of prudence.</p> <p>Concept of prudence as defined in framework for preparation of financial statements states :</p> <p><i>Para 37 : "Prudence is the inclusion of a degree of caution in the exercise of the judgements needed in making the estimates required under conditions of uncertainty, such that assets or income are not overstated and liabilities or expenses are not understated."</i></p> <p>In view of above it is submitted that in accordance with concept of prudence KRCL has recognized interest to the extent agreed by counterparty, reversal of interest charged by RVNL shall be against the concept of prudence.</p> <p>As per clause no. 11.5 of construction agreement with RVNL interest to be charged "... upto the date of actual payment is received from KRCL", however it is noticed that RVNL has charged interest upto</p>

		last day of the month in which the payments were made by KRCL. This issue is being taken up with RVNL for changing the existing practice and refund of the amount excess charged by RVNL from KRCL in FY 2024-25 on this account.
4	<p>It is noticed that store items purchased are directly debited to repair &amp; maintenance instead of when they are actually issued for repair nor the closing stock of stores existing as on 31.03.2025 is ascertained and accounted for as closing stock. Physical verification report of closing stock as on 31.03.2025 is not provided.</p> <p>List of spares received from RVNL (contractor to the project), stock register maintained for these spares &amp; physical verification report thereof is not provided.</p> <p>The impact of the above could not be ascertained on the financial statements.</p>	<p>It is submitted that the amount of these inventory items is immaterial as compared to overall expenditure of company.</p> <p>In order to have proper internal control, these items are documented and maintained in separate registers at Site office.</p> <p>However, considering materiality of these transactions and nature of business of KRCL, these items are charged to Profit and Loss in the year of purchase itself.</p> <p>RVNL handed over the entire assets of Project Railway on as is where is basis to the company. However, no separate list of spares/stores, etc. was prepared/submitted by RVNL.</p>
5	<p>Referring to the definition of normal transfer, expiry, book value as per para 1.1 and transfer payment on normal transfer as per para 8.1 of concession agreement dt. 23.11.2007, company is allowed a concession period of 30 years from appointed date (i.e. 23.11.2007), however it is noticed that the company has considered two phases, phase-I (15.11.2008 to 14.11.2038) and phase-II (03.07.2019 to 02.07.2049), for which it is explained that same is taken as per concession period defined in clause 1.1 of the concession agreement. In this regard it is required that a legal opinion may be obtained.</p>	<p>The audit observation does not have any basis, as no-where in the concession agreement it is mentioned that concession period is 30 years from appointed date. Therefore, observation of auditor is not correct.</p> <p>It is further submitted that clause 4.6.1 of Concession Agreement (CA), defines concession period as below:</p> <p>Concession period: "The concession period would be determined with reference to attainment of the NPV payback benchmark at the rate of return of 14%. The concession period shall be 30 years of operation or till the time the NPV payback equal to the equity investment is reached, whichever is earlier. In case the NPV payback is reached earlier than 30 years, the concession agreement would stand terminated and the project line would be re-possessed by Railways. The NPV at the discount rate of 14% shall be based on the dividend payout to shareholders and the net worth including the termination payment. Schedule III to this</p>

	<p>As per para 4.1 of schedule 1 to concession agreement dt. 23.11.2007, details of amount payable to South Central Railways ("SCR") as lease rent for existing assets is not ascertained and provided for in financial statements. In this regard it is explained that the amount is not provided by South Central Railways, Ministry of Railways therefore the same is not accounted for.</p>	<p>Agreement indicates the method of calculation of NPV payback and determination of concession period."</p> <p>It is clear from reading of above para that concession period shall be 30 years of operations, but not from date of signing of the CA, i.e., 23.11.2007.</p> <p>It is further, submitted that clarity with reference to operations or operations period has been given by way of following para in Concession Agreement.</p> <p>Clause 1.1 of CA "<b>Operations</b>" means all activities associated with the operations of the Project railway consistent with the relevant/applicable codes and procedure of MoR with regards to train movement, loading / unloading, storage and security of freight consignment.</p> <p>Clause 1.1 of CA "<b>Commercial Operation Date</b>" or "<b>COD</b>" means the date on which the safety Certificate has been issued for freight operation by Chief Engineer, South Central Railway (SCR).</p> <p>It is clear from the foregoing that 30 years of operations means the period of train movement, loading/ unloading, storage and security of freight consignments.</p> <p>Accordingly, period of 30 years from each COD has been considered as concession period for each phase of the Project Railway.</p> <p>Therefore, computation of amortisation does not require any changes with reference to concession period.</p> <p>Lease rent for existing land has already been paid to SCR according the Clause 4 of the CA.</p>
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	<p>The company has not provided the calculation of NPV as per concession agreement to ascertain the concession period as per agreement dt. 23.11.2007.</p> <p>Hence the impact if any thereof on the financial statement could not be ascertained.</p>	<p>NPV calculation is with reference to attainment of maturity of project i.e., return has been achieved by shareholders for investment made by them.</p> <p>However, mid-life NPV of the project will not portray the realistic figure.</p> <p>It is also clear from the clause 4.6.1 of concession agreement wherein it is stated that <i>"The NPV at the discount rate of 14% shall be based on the dividend payouts of the shareholders and net worth including termination payment."</i></p> <p>The basic premise of this clause is that shareholders can get maximum 14% NPV for amounts invested by them. Formula for computation of concession period as given in Schedule III of concession agreement is Cumulative NPV of dividend.</p> <p>Since, company has not paid any dividend to shareholders, therefore there is no need for further calculations and NPV cannot be determined at this stage. Therefore, there is no impact on financial statements due to this.</p>
6	<p>The Company is holding a provision for re-surfacing cost of Rs. 3847.03 lakhs as on the closing date, however the company has not ascertained the re-surfacing liability as on the close of financial year. In this regard it is informed that the company is evaluating the computation of re-surfacing cost required for the project and the same will be accounted after the evaluation. Hence the impact, if any, on financial statements could not be ascertained.</p>	<p>The Company has estimated and provided for the liability of ₹ 5,000.00 lakhs towards resurfacing cost by the end of financial year 2025 in respect of replacement obligations for Phase-I, arising during the remaining concession period as per requirement of Appendix D of the Ind AS 115. Out of total provision of ₹ 5,000.00 lakhs, only an amount of ₹ 1,152.97 lakhs has been utilised till financial year 2024-25.</p> <p>Computation of resurfacing cost for full Project length requires detailed information and data as well as forecasting liabilities upto the end of concession period including their impact on payments at the end of concession period.</p> <p>The company is currently evaluating the computation of re-surfacing cost required for the complete project assets, hence no additional provision towards resurfacing cost could be made in the Audited financial statements of Krishnapatnam Railway Company Limited for FY 2024-25.</p>

		<p>It is therefore submitted that the liability of resurfacing cost to the extent of information available and determinable has been provided in financial statements. The provision for additional liability toward resurfacing cost (if any) shall be provided as and when reliable estimates for the same will be available. Necessary disclosure in this regard has been given in the Balance sheet of the Company for FY 2024-25.</p>
7	<p>The Company has not received any balance confirmation for the amount receivable from South Central Railways, a difference of Rs. 80.41 lakhs is noticed in the account of South Central Railways (Repair &amp; Maintenance) account, for which it is explained that reconciliation of amount is under process and necessary impact will be considered after reconciliation. Hence the impact, if any, on financial statements could not be ascertained.</p>	<p>KRCL has never received a balance confirmation from SCR since Railways maintains the cash basis of accounting. With reference to difference of Rs. 80.41 lakhs, it will be accounted for upon reconciliation.</p>

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special Resolution was passed in General meeting as required under first proviso to Section 188
There was no transaction attracting the applicable provisions of sub-section (1) of Section 188 of the Companies Act, 2013, during the period under review.							

**2. Details of material contracts or arrangements or transactions at Arm's length basis.**

Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
There were no material contracts or arrangements or transactions that were entered by the Company with any related party, during the period under review.					

**For and on behalf of the Board of Directors of  
Sagarmala Finance Corporation Limited**

**Date: 21-11-2025  
Place: New Delhi**

S/d  
**A.C. Nayak**  
Director( Finance) & CFO  
DIN: 10057433

S/d  
**LVS Sudhakar Babu**  
Managing Director  
DIN: 05346362

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2024-25****1 Brief outline on CSR Policy of the Company:**

The Company has framed its Corporate Social Responsibility Policy, as per Section 135 of the Companies Act 2013 and rules made thereunder ("the Act"). The CSR policy has been amended from time to time. The copy of CSR policy can be accessed from the website at <https://www.sdclindia.com/admin/images/documents/CSR%20POLICY%20SMFCL.pdf>.

In line with Section 135 of the Act, at least 2% of the average net profits of the Company made during the three immediately preceding financial years is required to be spent in pursuance of Corporate Social Responsibility Policy. SMFCL will priorities activities pertaining to the all activities consistent with the CSR provisions of the Companies Act 2013, Schedule VII of the Companies Act 2013, CSR Rules, the Guidelines and the policy directions issued by the Government from time to time.

**2 Composition of CSR Committee:**

In terms of provision of Companies Act, 2023 the CSR Committee was not required for the Financial Year 2024-25

Sl No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
	Not Applicable			

The Board, however formed the CSR Committee subsequently on 19<sup>th</sup> August, 2025 with the following composition with the following directors as members until the appointment of Independent Directors:

Sl No.	Name of Director	Designation/ Nature of Directorship
1	Shri R. Lakshmanan, Chairperson	Director
2	Shri Venkatesapathy S., Member	Director
3	Shri A.C. Nayak, Member	Director (Finance)

**3** Provide the web-link(s) where Composition of CSR Committee. CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

<https://www.sdclindia.com/admin/images/documents/CSR%20POLICY%20SMFCL.pdf>.

**4** Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8: Not Applicable**5(a)** Average net profit of the company as per sub-section (5) of section 135: Rs. 15,53,02,209/-**5(b)** Two percent of average net profit of the company as per sub-section (5) of section 135: Rs. 31,06,044/-**5(c)** Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.: Nil**5(d)** Amount required to be set-off for the financial year, if any: Nil

- 5(e)** Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 31,06,044/-
- 6(a)** Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Nil
- 6(b)** Amount spent in Administrative-overheads: Nil
- 6(c)** Amount spent on Impact Assessment, if applicable.; Not Applicable
- 6(d)** Total amount spent for the Financial Year [ (a)+(b)+(c): Nil

**6(e) CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (Rs.)	Amount Unspent				
	Total Amount Transferred to Unspent CSR Account as per Sub section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso for sub section-section (5) of Section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
40,53,333.00	Not Applicable		Not Applicable		

**Excess amount for set-off, if any:**

Sl. No.	Particular	Amount (in Rs.)
1	2	3
i.	Two percent of average net profit of the company as per sub-section (5) of section 135	31,06,044
ii.	Total amount spent for the Financial Year	40,53,333
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	<b>9,47,289</b>
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	<b>9,47,289</b>

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1	2	3	4	5	6		7	8
Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (in Rs.)	Balance Amount in spent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VI1 as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Y ears (in Rs)	Deficiency, if any
					Amount ( in. Rs.	Date of Transfer		
1	FY-1	NA		NA				
2	FY-2	NA		NA				
3	FY-3	NA		NA				

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No.**

If yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable.

Sl No.	Short particulars of the property or asset(s) (Including complete address and location of the property)	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
	NA						

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat arc to be specified and also the area of the immovable property as well as boundaries

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135):** Not Applicable

Date:21-11-2025  
Place: New Delhi

S/d  
**A.C. NAYAK**  
Director (Finance)  
DIN: 10057433

S/d  
**LVS Sudhakar Babu**  
Managing Director  
and Chairman CSR Committee  
DIN: 05346362



# VAPN & ASSOCIATES

COMPANY SECRETARIES

**CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE NORMS**  
**(Pursuant to clause 8.2.1 of the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2019 issued by DPE)**

To,  
**The Members,**  
**Sagarmala Finance Corporation Limited**  
*(formerly known as Sagarmala Development Company Limited)*  
**CIN: U64920DL2016GOI305194**  
 1st Floor, 124, Thapar House, Gate No. 2,  
 Janpath Lane, New Delhi-110001.

We have examined the relevant books, records and statements in connection with compliance of the conditions of Corporate Governance of **Sagarmala Finance Corporation Limited** (hereinafter called '**the Company**') for the financial year ended March 31, 2025 ("**During the period under the review**"), as stipulated in Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2019 issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India (Hereinafter referred to as "**DPE Guidelines, 2019**") .

The compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as laid down in the guidelines. Our Certification is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance norms as stipulated in DPE Guidelines, 2019 except the following: -

1. The Board of Directors of the Company does not have the optimum combination of Nominee Directors:
  - As per DPE Guidelines, 2019, the number of Nominee Directors appointed by the Government shall be restricted to maximum of two. However, there are 3 (Three) Nominee Directors on the Board of the Company.
  - The Company does not have the requisite number of Independent Directors on the Board as required under Clause 3.1.4 of the DPE Guidelines during the period w.e.f. 10<sup>th</sup> December, 2024.
2. During FY 2024-25, the Company has not maintained the Risk Management Policy to ensure the integration and alignment of the risk management system with the corporate and operational objective. However, the Board in its meeting held on 19<sup>th</sup> August, 2025 as approved the Risk Management Policy



**Office : B-5/41, Vivekanand Apartment, Sector-8, Rohini, Delhi-110085**



# VAPN & ASSOCIATES

COMPANY SECRETARIES

3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of the effectiveness with which the management has conducted the affairs of the Company.



For VAPN & Associates  
Practicing Company Secretaries  
ICSI Unique Code: P2015DE045500  
Peer Review Certificate No.975/2020

Prabhakar Kumar  
Partner

FCS No: 5781 | COP No: 10630  
ICSI UDIN: F005781G001378229

Place: New Delhi

Date: September 29, 2025



**SMFCL EXPLANATION ON OBSERVATIONS IN THE CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE NORMS**

Observation in the Certificate	SMFCL Explanation
<p>The Board of Directors of the Company does not have the optimum combination of Nominee Directors</p> <p>As per DPE Guidelines the number of Nominee Directors appointed by the Government/ other CPSE shall be restricted to a maximum of two. However, there are 3 (Three) Nominee Directors on the Board of the Company.</p> <p>The Company does not have the requisite number of Independent Directors on the Board as required under Clause 3.1.4 of the DPE Guidelines during the period w.e.f. 10th December, 2024</p>	<p>SMFCL being a Government Company the appointments of all the Directors including the Government Nominee Directors are made by the Administrative Ministry only.</p> <p>The tenure of Dr. Rachana Agarwal and Shri Yogesh Badani as independent Directors completed on 9<sup>th</sup> December, 2024. The appointment of new independent directors will be made by the Government of India.</p>
<p>During FY 2024-25. the Company has not maintained the Risk Management Policy to ensure the integration and alignment of the risk management system with the corporate and operational objective. However, the Board in its meeting held on 19th August, 2025 as approved the Risk Management Policy.</p>	<p>The Board of Directors in its meeting held on 19th August, 2025 has approved the Risk Management Policy in view of the NBFC operations.</p>

# P K Chopra & Co.

—Chartered Accountants—

Flat No. 801, 8<sup>th</sup> Floor, Rohit House, 3 Tolstoy Marg  
New Delhi-110001 (INDIA)

T : +91 11 35007252

E : info@pkchopra.com  
W : www.pkchopra.com

## Independent Auditor's Report

**To the Members of  
SAGARMALA FINANCE CORPORATION LIMITED  
(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

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

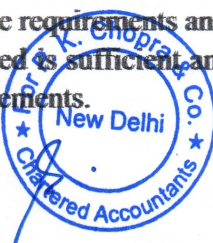
#### **Opinion**

We have audited the accompanying Standalone Financial Statements of **Sagarmala Finance Corporation Limited (Formerly known as Sagarmala Development Company Limited)** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of Material Accounting policies and other explanatory information. (Hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis of Opinion**

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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.





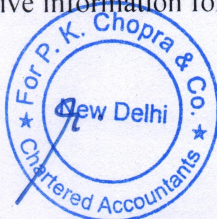
**Emphasis of Matter:**

**We draw attention to the following matters**

1. With reference to the **Note No. 42** to the accompanying Financials Statements wherein the Company is acting as CNA on behalf of Ministry of Ports, Shipping and Waterways for implementing Central Sector Scheme. As a CNA, based on communication received from MoPSW, company is allocating / modifying limits of various Implementing Agencies under the Scheme. As per MoPSW letters dated 19.05.2022 and 22.06.2022, and Department of Expenditure Office Memorandum No. 1(18)/PFMS/FCD/2021 dated 09.03.2022, the following conditions and restrictions attached to the Central Nodal Account for the Central Sector Scheme.
  - The Central Nodal Account shall be maintained as a Zero Balance Savings Account (ZBSA) with a Scheduled Commercial Bank, for Sagarmala, R&D (Ports sector) and R&D (Shipping Sector) Schemes in Canara Bank.
  - SMFCL will keep all the funds received under Sagarmala Scheme, R&D (Ports sector) and R&D (Shipping Sector) Schemes in the Central Nodal Accounts only and shall not transfer the funds to any other account or not divert the same to Fixed Deposit, flex- account, Multi Option Deposit Account, Corporate Liquid Term Account etc. The funds released to CNA shall not be parked in bank account of any other agency.
  - The CNAs (Central Nodal Agencies) shall ensure that the interest earned from the funds released is mandatorily remitted to the Consolidated Fund of India in terms of Rule 230(8) of GFR. 2017. The interest component shall be distinctly reflected in the MIS provided by the banks.
  - Sagarmala Finance Corporation Limited, opened account as CNA Savings Account with Canara Bank in compliance with DOE OM dated 09.03.2022.

The Company is maintaining Bank accounts with Canara Bank as Central Nodal Agency (CNA) accounts on behalf of the MoPSW subject to above conditions and restrictions. These accounts and balances have not been included in the book of accounts and financials of the company as company is not having any control of these accounts and also Interest income generated from these funds are directly remitted to consolidated fund of India as per the instruction of MoPSW. The Company is acting as an agency only to disburse the Grant Fund on behalf of the MoPSW.

2. With reference to **Note 48 of the** Financials Statements wherein the Company applied, FVTOCI in respect of its equity investment in Calcutta Haldia Port Road Company Limited since initial recognition. the Fair value of Investment has been determined on the basis of valuation report of the registered valuer dated 17<sup>th</sup> July, 2025 for the year ended on 31<sup>st</sup> March, 2025. However, the registered valuer valuation report dated 29.06.2024 for the year ended 31<sup>st</sup> March, 2024 was not taken into accounts and financials for the year ended 31<sup>st</sup> March, 2024 value of investment was not fairly considered and presented in previous financial year, which is treated as Prior period error and requires retrospective restatement. As per Para 44 of Ind AS 8 " When it is impracticable to determine the period-specific effects of an error on comparative information for one or more prior periods presented, the





entity shall restate the opening balances of assets, liabilities and equity for the earliest period for which retrospective restatement is practicable (which may be the current period) ". Considering Para 44 of Ind AS 8, and to give effect of FVTOCI for FY 2021-22 to 2023-24, the company has restated the value of Investment and other comprehensive Income in the financials for FY 2023-24.

3. With reference to the **Note No. 46** of the financial statements in respect of balance confirmation of various parties/vendors, amounts receivable from MoPSW on account of reimbursement of expenses have not been obtained. Balances of various parties in respect of receivable and payables are subject to reconciliation and their confirmations and respective consequential adjustment.
4. With reference to the **Note no. 41** of the accompanying financial statements in respect of the of the approval of Reserve Bank of India to commence with business of Type-II NBFC-ND. The company has obtained the certificate of registration (CoR) as NBFC-ND from Reserve Bank of India dated 19<sup>th</sup> June, 2025 as deemed approval of RBI for NBFC business activities subject to the condition that if the company fails to commence the business of NBFC within a period of six months from the date of issuance of CoR, the CoR will stand withdrawn automatically and the company will no longer be eligible to carry on NBFC activity without a fresh CoR from the Reserve Bank of India. The company is in process to fulfill the requirements and conditions as prescribed by RBI to commence the business as NBFC.

Our Opinion is not modified in respect of these matters.

**Other Matter:**

1. The comparative financial information of the Company as at and for the year ended 31st March, 2024 prepared in accordance with Ind AS included in the standalone financial statements has been audited by the predecessor auditor except to the extent of restatement of amounts. The report of the predecessor auditor on such comparative financial information dated 28<sup>th</sup> October, 2024 expressed an unmodified opinion

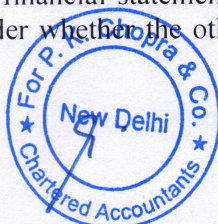
Our Opinion is not modified in respect of these matters.

**Information other than the Financial Statement and audit report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent





with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

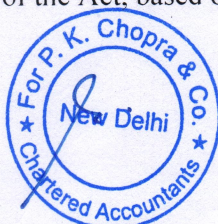
Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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, 2020 ("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 paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit 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.

In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that based on our examination which included test checks, the Company has used accounting software i.e. tally for maintaining its books of account, which have a feature of recording audit trail (edit log) facility, however the feature has been operated from October, 2024 onwards for all relevant transactions recorded in the respective software.

- b) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- c) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d) Being a Government Company pursuant to Notification No. G.S.R. 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013 in respect of disqualification of directors, are not applicable to the Company.
- e) 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**'.
- f) In terms of notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Govt. of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of Section 197(16) of the Act is not applicable on the company.
- 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 and the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - Based on the representations received from Management, other than as disclosed in the notes to the accounts, no funds have been advanced/received or loaned or invested by the company with the understanding that the intermediary shall lend or





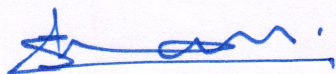
invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company.

- v. During the financial year, the Company has declared and paid an interim dividend of Rs.0.035 per equity share, amounting to Rs. 350 lakhs. Based on the audit procedures carried out and according to the information and explanations given to us, the dividend has been declared and paid in compliance with the provisions of Section 123 of the Companies Act, 2013.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable.

Based on our examination which included test checks, the company has used the accounting software i.e. tally for maintaining its books of account, which have a feature of recording audit trail (edit log) facility, however the feature has been operated from October, 2024 onwards for all relevant transactions recorded in the respective software.

3. On the basis of such checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us, we are enclosing our report in terms of Section 143(5) of Act, on the directions, sub-directions and additional directions issued by the Comptroller and Auditor General of India in "Annexure C".

For P K Chopra & Co.  
Chartered Accountants  
FRN: 006747N



Shambhu Kumar Thakur  
Partner

M. No: 537052

Date:

24 SEP 2025

Place: New Delhi

UDIN: 25537052-BHLCXD2984





## **Annexure 'A' to Independent Auditors' Report**

**(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report to the member of Sagarmala Finance Corporation Limited (formerly known as Sagarmala Development Company Limited) ("the Company"), for the year ended 31<sup>st</sup> March, 2025)**

To best of our information and according to the explanation provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i.
  - a. The company has maintained proper records showing full particulars, including quantitative details and the situation of its fixed assets.
  - b. According to the information and explanations given to us, physical verification of fixed assets has been conducted by the management under a program designed to cover all the property, plant and equipment including intangible assets at reasonable intervals, which in our opinion, is reasonable having regard to the size of company and nature of its business and no material discrepancies were noticed on such verification to the extent verification was made during the year.
  - c. According to the information and explanation given to us and the records examined by us, no immovable properties are held in the name of the Company; hence this clause is not applicable.
  - d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - e. No proceedings have been initiated or are pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 and rules made there under.
- ii.
  - a. The company has not maintained any inventory during the year. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
  - b. The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- iii. According to the information given to us, the Company has not granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Companies Act, 2013. Therefore, clauses (iii) (a-A, B), (iii) (b), (iii) (c), (iii) (d), (iii) (e) and (iii) (f) of Paragraph 3 of the Order are not applicable to the Company.
- iv. The company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and securities.
- v. Based on our examination of the Company's records and according to the information and explanations given to us, the Company has not accepted any deposits from public during





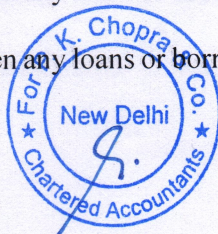
the year within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules 2014.

- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. (a) According to the information and explanations given to us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Goods and Service Tax, Cess and any other statutory dues as applicable to it.
- (b) According to the information and explanations given to us, the company is regular in depositing of undisputed amounts payable in respect of Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Goods and Service Tax, Cess and any other statutory dues except for the stamp duty payable on issuance of share certificates. There are no dues payable outstanding as at 31<sup>st</sup> March, 2025 for a period of more than six months from the date they became payable except the stamp duly payable on issuance of share certificates.

Statement of Arrears of Statutory Dues Outstanding for More than Six Months (Stamp Duty)

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which amount relates	Ramarks
Delhi Stamp Act, 2001	Stamp Duty Payable on issuance of share certificates	39.00 Lakhs	FY 2023-24	The Company has made a provision of Rs.39.00 lakhs payable towards stamp duty on issuance of share certificate. The amount is outstanding for more than 6 months as on 31.03.2025. The company has made applications through e- stamping portal for its approval and the same are under process.

- viii. According to the information and explanation given to us, no transaction has been recorded in the books of accounts which have been surrendered or disclosed as income during the year in the assessments order under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given by the management, the Company has not taken any loans or borrowings from any lender financial institution, bank, Government or debenture holder, as applicable to the company.
- (b) The company has not taken any loans or borrowings; hence this clause is not applicable.
- (c) The company has not taken any loans or borrowings; hence this clause is not applicable.





(d) The company has not taken any loans or borrowings; hence this clause is not applicable.

(e) In our opinion and according to the information and explanations given to us, 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.

(f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) According to the records of the Company examined by us and the information and explanations given to us by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.

(b) According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible)

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with Central Government.

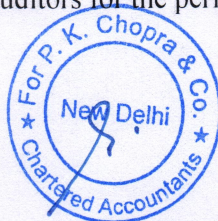
(c) There are no Whistle Blower Complaints received by the company during the FY 2023-24.

xii. Since the company is not a Nidhi Company, the provisions of clause no. 3(xii) do not apply to the Company.

xiii. According to the records of the company examined by us and the information and explanations given to us, the related party transactions are in compliance with sections 177 and 188 of the Companies Act, 2013 and have been disclosed in the Financial Statements. The provisions of section 177 are not applicable to the Company and accordingly the reporting under Clause 3 (xiii) in so far as it relates to Section 177 of the Act is not applicable to the Company.

xiv. (a) Based on our examination of records and information and explanation given to us by the Management, the company has an internal audit system commensurate with the size and nature of its business.

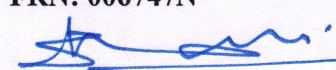
(b) The reports of the Internal Auditors for the period under audit were considered by us.





- xv. Based on our examination and the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them.
- xvi. (a) Based on our examination and the 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 during the FY 2024-25.
- (b) The company has obtained the Certificate of Registration under section 45-IA of the Reserve Bank of India Act, 1934 dated 19<sup>th</sup> June, 2025 to commence with the Business of Type-II, NBFC-ND (ICC). The Company is in the process to fulfill the requirement of conditions to commence with the business of NBFC.
- xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has not been any resignation of the statutory auditors during the year.
- xix. On the basis of financial ratios, ageing and expected date of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of 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. According to the records of the Company examined by us and the information and explanations given to us:
- (a) There are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in schedule VII to the Companies Act in compliance with second proviso to sub section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) (a) of the Order is not applicable.
- (b) There are no amount remaining unspent under sub section 5 of section 135 of the Companies Act, pursuant to any ongoing project, that are required to be transferred to special account in compliance with the provision of sub-section 6 of section of 135 of the said Act.

For P K Chopra & Co.  
Chartered Accountants  
FRN: 006747N

  
Shambhu Kumar Thakur  
Partner

M. No: 537052

Date: 24 SEP 2025

Place: New Delhi

UDIN: 25537052BMLQXB2989





**Annexure 'B' TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SAGARMALA FINANCE CORPORATION LIMITED (FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED).**

**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 **Sagarmala Finance Corporation Limited (Formerly known as Sagarmala Development Company Limited)** ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

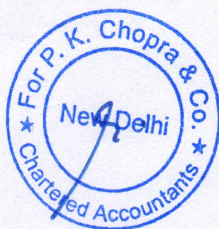
**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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. 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 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 Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.





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 Over Financial Reporting**

A company's internal financial control over financial reporting 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 over financial reporting 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 authorisations 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.

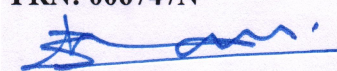
### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, 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, 2025 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.

**For P K Chopra & Co.**  
**Chartered Accountants**  
**FRN: 006747N**

  
**Shambhu Kumar Thakur**  
**Partner**

**M. No: 537052**

**Date: 24 SEP 2025**

**Place: New Delhi**

**UDIN: 25537052BMLCXB2984**

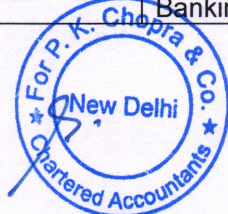




## Annexure 'C' TO INDEPENDENT AUDITOR'S REPORT

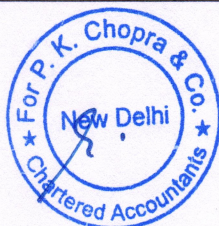
Directions issued by the Comptroller & Auditor General of India under Section 143(5) of Companies Act, 2013 indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Sagarmala Finance Corporation Limited (Formerly known as Sagarmala Development Company Limited) for the year 2024-25.

S. No.	Areas Examined	Replies
1.	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Postretirement benefits of the Employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	The Company does not hold any investments, either directly or through trusts, towards post-retirement benefits of employees during the financial year 2024-25
2	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has system in place to process all the accounting transactions through I.T. System i.e. Tally software. As per Companies (Accounts) Amendment Rules, 2021 issued by MCA that mandating that companies using accounting software must choose platforms equipped with a feature recording an audit trail (Edit Log) for every transaction. However the feature has been operated from October, 2024 onwards for all relevant transactions recorded in the respective software.
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Based on the audit procedures carried out and as per the information and explanations given to us. During the year, neither the company has received nor any receivable is outstanding towards the funds (grant/subsidy) for specific purpose from Central/State Agencies.
4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been	The Company has formulated a Risk Management policy as per its Board's approval dated 19 <sup>th</sup> August, 2025 pursuant to the requirements of RBI and its approval to commence with business of Non – Banking Finance Company (NBFC). The





	<p>formulated considering global best practices?</p> <p>(b) whether the Company has identified its data assets and whether it has been valued appropriately?</p>	<p>Company has identified the Key Risks areas of its prospective NBFC Business and Risk management policy to mitigate these risks. Risk management policy has been formulated as per RBI Guidelines, framework and in best practices as applicable for Non- Banking Finance Companies (NBFCs). The Company has not identified any data assets and its valuation as on the date of Audit Report.</p>
5	<p>Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.</p>	<p>Based on the audit procedures carried out and as per the information and explanations given to us The provision of Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India were not applicable on Company during the FY 2024-25.</p> <p>However, provision of Department of Investment and Public Asset Management Department of Public Enterprises and Ministry of Corporate Affairs were applicable and company has committed certain deviations which were identified during our Audit the same areas under:</p> <ol style="list-style-type: none"> <li>1. The Company has not complied with the provisions of Section 149(1) of the Companies Act, regarding the appointment of at least one-woman director on the Board, which is mandatory for prescribed classes of companies.</li> <li>2. Company has not complied with the provisions of Section 149(4) read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, which require the appointment minimum two directors as Independent Directors on the Board of the Company for the class of company as prescribed. The Company has not complied with the requirement of the Companies Act, 2013 in this respect these requirements.</li> </ol>

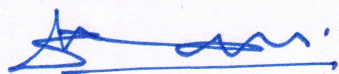




Additional direction issued by the Comptroller & Auditor General of India under Section 143(5) of Companies Act, 2013 indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Sagarmala Finance Corporation Limited for the year 2024-25.

1.	Whether the receivables (both current and non-current) were supported by agreements, work orders, Invoices or such other documents that establishes the legal rights of the company over the claim?	<p>According to the information and explanations given to us and based on our examination of the records of the company, the receivables (both current and non-current) were supported by agreements, work orders, invoices or such other documents that established the legal rights of the company over the claim.</p> <p>The company has Recoverable from Ministry of Ports, Shipping and Waterways (MoPSW) as Other Recoverable in Note No. 8.3 "Other Financial Assets" under the main head "Current Assets" of Rs 96.26 lakhs. We have not received a confirmation of Balance in respect of recoverable amount outstanding as per accounts and financials.</p>
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For P K Chopra & Co.  
Chartered Accountants  
FRN: 006747N



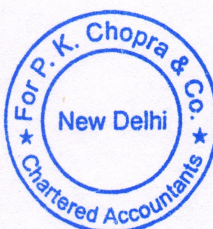
Shambhu Kumar Thakur  
Partner

M. No: 537052

Date:

Place: New Delhi

UDIN: 25537052-BHLCXB2984





**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**STANDALONE BALANCE SHEET**  
**As at 31st March 2025**

(INR in Lakhs)

Particulars	Note No.	As at 31st March 2025		As at 31st March 2024 Restated *	
<b>I. ASSETS</b>					
<b>(1) Non-current assets</b>					
(a) Property, Plant and Equipment	3	152.34		244.12	
(b) Capital Work-in-Progress	3.1	-		0.25	
(c) Other Intangible assets	4	-		-	
(d) Financial Assets	5				
(i) Investments	5.1	51,033.71		51,262.81	
(ii) Other Financial Assets	5.2	88.48		15,385.49	
(e) Deferred tax assets (net)	6	17.29		10.72	
(f) Other Non Current Assets	7	70.66	51,362.48	99.21	67,002.60
<b>(2) Current assets</b>					
(a) Financial Assets	8				
(i) Cash and cash equivalents	8.1	164.24		88.63	
(ii) Bank balances other than (i) above	8.2	53,882.00		34,400.00	
(iii) Other Financial Assets	8.3	1,764.82		2,206.76	
(b) Current Tax Assets (Net)	9	-		40.72	
(c) Other current assets	10	32.73	55,843.79	24.16	36,760.27
<b>Total Assets</b>			<b>1,07,206.27</b>		<b>1,03,762.87</b>
<b>II. EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share capital	11	1,00,000.00		1,00,000.00	
(b) Other Equity	12	6,788.72	1,06,788.72	3,261.15	1,03,261.15
<b>LIABILITIES</b>					
<b>(1) Non-current liabilities</b>					
(a) Financial Liabilities					
(i) Lease Liabilities	13	28.97		137.35	
(b) Provisions	14	44.74	73.71	26.05	163.40
<b>(2) Current liabilities</b>					
(a) Financial Liabilities	15				
(i) Lease Liabilities	15.1	108.53		94.06	
(ii) Trade Payables	15.2				
Total outstanding dues of micro enterprises and small enterprises		31.41		11.06	
Total Outstanding dues of creditors b other than micro and small Enterprises		80.70		107.91	
(ii) Other financial liabilities	15.3	21.42		26.47	
(b) Other current liabilities	16	26.99		59.05	
(c) Provisions	17	40.35		39.77	
(d) Current Tax Liabilities (Net)	18	34.44	343.84	-	338.32
<b>Total Equity and Liabilities</b>			<b>1,07,206.27</b>		<b>1,03,762.87</b>

\* Restated Refer Note No.49

The accompanying notes are integral part of financial statements.

1 to 49

As per our Report of even date attached

**For P K Chopra & Co.**  
**Chartered Accountants**  
**FRN: 006747N**

For and on behalf of Board of Directors of  
SAGARMALA FINANCE CORPORATION LIMITED  
(FORMERLY KNOWN AS SAGARMALA  
DEVELOPMENT COMPANY LIMITED)

**-sd-**

**Maanas Srivastava**  
Company Secretary  
PAN: BFAPS1336B

**-sd-**

**Shambhu Kumar Thakur**  
Partner  
M No 537052

**-sd-**

**Ananga Charan Nayak**  
Director Finance & CFO  
DIN - 10057433

**-sd-**

**Vikas Narwal**  
Managing Director  
DIN - 07884369

**Date: 24.09.2025**

**Place: New Delhi**

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**STANDALONE STATEMENT OF PROFIT AND LOSS**  
**For the Year ended 31st March 2025**

		(INR in Lakhs except EPS)		
Particulars	Note No.	For the Year ended 31st March 2025	For the Year ended 31st March 2024 Restated*	
<b>I.</b> Revenue from Operations	19	2,480.73	430.00	
<b>II.</b> Other Income	20	3,928.13	3,626.85	
<b>III. Total Income (I + II)</b>		<b>6,408.86</b>	<b>4,056.85</b>	
<b>IV. EXPENSES:</b>				
Employee Benefits Expense	21	282.88	188.32	
Finance Costs	22	16.80	20.23	
Depreciation and Amortization Expense	23	110.87	108.80	
CSR expenses	24	40.53	19.71	
Other Expenses	25	507.23	474.54	
<b>Total Expenses (IV)</b>		<b>958.31</b>	<b>811.60</b>	
<b>V. Profit/(loss) before exceptional items and tax (III - IV)</b>		5,450.55	3,245.25	
<b>VI.</b> Exceptional Items	26	59.13	-	
<b>VII. Profit/(Loss) before tax (V + VI)</b>		<b>5,509.68</b>	<b>3,245.25</b>	
<b>VIII.</b> Tax expense:	27			
(1) Current tax				
- For the year	27.1	1,402.97	842.36	
- For earlier years (net)		0.72	58.54	
(2) Deferred tax (net)		(6.33)	(6.61)	
Total Tax Expense (VIII)		<b>1,397.37</b>	<b>894.29</b>	
<b>IX Profit/(loss) for the period from continuing operations (VII - VIII)</b>		<b>4,112.31</b>	<b>2,350.96</b>	
<b>X</b> Profit/(loss) from discontinued operations		-	-	
<b>XI</b> Tax Expense of discontinued operations		-	-	
<b>XII</b> Profit/(loss) from discontinued operations (after tax) (X-XI)		-	-	
<b>XIII Profit/(loss) for the period (IX+XII)</b>		<b>4,112.31</b>	<b>2,350.96</b>	
<b>XIV Other Comprehensive Income</b>				
A. Items that will not be reclassified to profit or loss				
- Net gains/(losses) on fair value of equity instruments	28	(234.00)	1,044.00	
- Net actuarial gains/(losses) on defined benefit plans	28	(0.99)	-	
- Income tax relating to items that will not be reclassified to profit or loss		0.25	-	
B. (i) Items that will be reclassified to profit or loss		-	-	
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	
		<b>(234.74)</b>	<b>1,044.00</b>	
<b>XV Total Comprehensive Income for the period (XIII +XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)</b>		<b>3,877.57</b>	<b>3,394.96</b>	
<b>XVI</b> Earnings per equity share:				
(for continuing operation)				
(1) Basic (Face Value Rs. 10 Per share) (in Rs.)	29	0.41	0.24	
(2) Diluted (Face Value Rs. 10 Per share) (in Rs.)	29	0.41	0.24	
<b>XVII</b> Earnings per equity share:				
(for discontinued operation)				
(1) Basic		-	-	
(2) Diluted		-	-	
<b>XVIII</b> Earnings per equity share:				
(for discontinued and continuing Operations)				
(1) Basic (Face Value Rs. 10 per share) (in Rs.)	29	0.41	0.24	
(2) Diluted (Face Value Rs. 10 per share) (in Rs.)	29	0.41	0.24	

\* Restated Refer Note No.49

The accompanying notes are integral part of financial statements.  
As per our Report of even date attached

1 to 49

For P K Chopra & Co.  
Chartered Accountants

FRN: 006747N

-sd-  
**Shambhu Kumar Thakur**  
Partner  
M No 537052

For and on behalf of Board of Directors of  
**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

-sd-  
**Maanas Srivastava**  
Company Secretary  
PAN: BFAPS1336B

-sd-  
**Ananga Charan Nayak**  
Director Finance & CFO  
DIN - 10057433

-sd-  
**Vikas Narwal**  
Managing Director  
DIN - 07884369

Date: 24.09.2025  
Place: New Delhi

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Standalone Statement of Cash Flow for the Year ended 31st March 2025**

(INR in Lakhs)

Particulars	Sr. No.	For the year ended 31st March 2025	For the year ended 31st March 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Net Profit before taxation</b>		5,509.68	3,245.25
<b>Adjustment for :</b>			
Depreciation and amortization		110.87	108.80
Interest Income on FDR's		(3,921.62)	(3,614.34)
Interest on lease liability		16.80	17.92
Unwinding of Interest on Security deposits		(5.53)	(5.78)
Share Issue Expenses		-	(14.34)
Amortisation of Prepaid Rent		5.64	3.94
<b>Operating Profit before changes in Operating Assets and Liabilities</b>	<b>1</b>	<b>1,715.84</b>	<b>(258.56)</b>
<b>Adjustment for :</b>			
Decrease / (Increase) in Non-current Financial Assets		15,302.54	(15,300.09)
Decrease / (Increase) in Other Non-current Assets		28.55	(97.33)
Decrease / (Increase) in Other financial assets		319.24	(978.85)
Decrease / (Increase) in Other current Assets		(14.23)	(27.61)
(Decrease) / Increase in Trade Payables		(6.86)	118.97
(Decrease) / Increase in Long term Provisions		18.69	26.05
(Decrease) / Increase in Other financial Liability		(5.05)	(142.18)
(Decrease) / Increase in Other current liabilities		(32.06)	0.18
(Decrease) / Increase in Short term Provisions		0.58	(38.39)
	<b>2</b>	<b>15,611.41</b>	<b>(16,439.25)</b>
<b>Net Cash Inflow / (Outflow) from Operations Before Tax</b>	<b>(1+2)</b>	<b>17,327.25</b>	<b>(16,697.81)</b>
Income Tax Paid (Net of Refunds)		(1,329.55)	(895.87)
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(A)</b>	<b>15,997.70</b>	<b>(17,593.68)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest Received on FDR's		4,044.31	3,614.34
Decrease / (Increase) in Bank Balance other than those taken to Cash and Cash Equivalent		(19,482.00)	(700.00)
Investment in Equity shares		(4.90)	-
(Purchase) / Sale of PPE (Net)		(18.84)	(18.89)
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(B)</b>	<b>(15,461.42)</b>	<b>2,895.45</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Share application money/ Share issue		-	9,000.00
Interim Dividend Distributed		(350.00)	-
Interest on lease liability		(16.80)	(17.92)
Lease Payment		(93.84)	(101.72)
<b>Net Cash Inflow / (Outflow) from financing Activities</b>	<b>(C)</b>	<b>(460.66)</b>	<b>8,880.34</b>
<b>NET INCREASE/ (DECREASE) IN CASH &amp; CASH EQUIVALENT</b>	<b>(A+B+C)</b>	<b>75.61</b>	<b>(5,817.89)</b>
<b>CASH AND CASH EQUIVALENT (OPENING)</b>	<b>(D)</b>	<b>88.63</b>	<b>5,906.51</b>
Cash		-	-
On Current Accounts		9.47	5,680.46
On Sweep Accounts		79.16	226.05
Deposits with original maturity of less than three months		-	-
<b>CASH AND CASH EQUIVALENT (CLOSING)</b>	<b>(E)</b>	<b>164.24</b>	<b>88.63</b>
Cash		-	-
On Current Accounts		153.22	9.47
On Sweep Accounts		11.02	79.16
<b>NET INCREASE/ (DECREASE) IN CASH &amp; CASH EQUIVALENT</b>	<b>(E-D)</b>	<b>75.61</b>	<b>(5,817.89)</b>

- (i) The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS-7 on Cash Flow Statement notified by the Ministry of Corporate Affairs, Government of India under the Companies Act, 2013.
- (ii) The company adopted the amendment to Ind-AS 7 effective from April 1, 2017, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, 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.

(iii) **Reconciliation of Liabilities arising from financing activities**

(INR in Lakhs)		
Particulars	Lease Liabilities	Share Capital
	Note 13 & 15.1	Note 11
Balance at 1st April, 2024	231.41	1,00,000.00
Cash flows:-		
-Repayment	110.71	-
-Proceeds	-	-
Non-Cash:-		
- Fair Value	16.80	-
-Conversion of Share Application Money to Share Capital	-	-
Balance at 31st March, 2025	137.50	1,00,000.00

(INR in Lakhs)		
Particulars	Lease Liabilities	Share Capital
	Note 13 & 15.1	Note 11
Balance at 1st April, 2023	37.08	91,000.00
Cash flows:-		
-Repayment	119.64	-
-Proceeds	296.05	9,000.00
Non-Cash:-		
- Fair Value	17.92	-
-Conversion of Share Application Money to Share Capital	-	-
Balance at 31st March, 2024	231.41	1,00,000.00

- (iv) Previous year's figures are reclassified/regrouped to confirm and make them comparable with those of the current year.

The accompanying notes are integral part of financial statements.

As per our Report of even date attached

For P K Chopra & Co.  
Chartered Accountants  
FRN: 006747N

-sd-  
Shambhu Kumar Thakur  
Partner  
M No 537052

Date: 24.09.2025  
Place: New Delhi

For and on behalf of Board of Directors of  
**SAGARMALA FINANCE CORPORATION LIMITED**  
(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)

-sd-  
Maanas Srivastava  
Company Secretary  
PAN: BFAPS1336B

-sd-  
Ananga Charan Nayak  
Director Finance & CFO  
DIN - 10057433

-sd-  
Vikas Narwal  
Managing Director  
DIN - 07884369

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Standalone Statement of Changes in Equity for the Year ended 31st March 2025**

**As at 31st March 2025**

**Equity Share Capital**

**(INR in Lakhs)**

Particulars	Balance as at 1st April 2024	Changes in Equity Share Capital due to prior period errors	Balance at the 1st April, 2024	Changes in equity share capital during the current year	Balance as at 31st March, 2025
No. of Shares	10,000.00	-	10,000.00	-	10,000.00
Amount	1,00,000.00	-	1,00,000.00	-	1,00,000.00

**Other Equity**

**(INR in Lakhs)**

Particulars	Share Application Money Pending Allotment	Other Equity			Total
		Securities Premium Reserves	Retained Earnings	Equity Instruments through OCI	
Balance as at 1st April, 2024	-	-	6,177.15	(2,916.00)	3,261.15
Changes in Accounting Policy or Prior Period Errors	-	-	-	-	-
Profit for the year	-	-	4,112.31	-	4,112.31
Net gains/(losses) on fair value of equity instruments			-	(234.00)	(234.00)
Net actuarial gains/(losses) on defined benefit plans			(0.99)	-	(0.99)
Income tax relating to items that will not be reclassified to profit or loss			0.25	-	0.25
Total Comprehensive Income for the year	-	-	4,111.56	(234.00)	3,877.56
Dividends	-	-	(350.00)	-	(350.00)
Transfer to Retained Earnings (Share issue expenditure)	-	-	-	-	-
Any Other Changes (Received during the year)	-	-	-	-	-
Transfer to Equity Share Capital	-				
Balance as at 31st March, 2025	-	-	9,938.72	(3,150.00)	6,788.72



As at 31st March 2024

Equity Share Capital

(INR in Lakhs)

Particulars	Balance as at 1st April 2023	Changes in Equity Share Capital due to prior period errors	Balance at the 1st April, 2023	Changes in equity share capital during the current year	Balance as at 31st March, 2024
No. of Shares	8,565.70	-	8,565.70	1,434.30	10,000.00
Amount	85,657.00	-	85,657.00	14,343.00	1,00,000.00

Other Equity Restated\*

(INR in Lakhs)

Particulars	Share Application Money Pending Allotment	Other Equity			Total
		Securities Premium Reserves	Retained Earnings	Equity Instruments through OCI	
Balance as at 1st April, 2023	5,343.00	-	3,840.51	(3,960.00)	5,223.51
Changes in Accounting Policy or Prior Period Errors	-	-	-	-	-
Profit for the year	-	-	2,350.96	-	2,350.96
Net gains/(losses) on fair value of equity instruments	-	-	-	1,044.00	1,044.00
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
Total Comprehensive Income for the year	-	-	2,350.96	1,044.00	3,394.96
Dividends	-	-	-	-	-
Transfer to Retained Earnings (Share issue expenditure)	-	-	(14.34)	-	(14.34)
Any Other Changes (Received during the year)	9,000.00	-	-	-	9,000.00
Transfer to Equity Share Capital	(14,343.00)	-	-	-	(14,343.00)
Balance as at 31st March, 2024	-	-	6,177.15	(2,916.00)	3,261.15

\* Restated Refer Note No.49

The accompanying notes are integral part of financial statements.

As per our Report of even date attached

For P K Chopra & Co.  
Chartered Accountants  
FRN: 006747N

-sd-  
Shambhu Kumar Thakur  
Partner  
M No 537052

Date: 24.09.2025  
Place: New Delhi

For and on behalf of Board of Directors of  
SAGARMALA FINANCE CORPORATION LIMITED  
(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT  
COMPANY LIMITED)

-sd-  
Maanas Srivastava  
Company Secretary  
PAN: BFAPS1336B

-sd-  
Ananga Charan Nayak  
Director Finance & CFO  
DIN - 10057433

-sd-  
Vikas Narwal  
Managing Director  
DIN - 07884369

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**COMPANY INFORMATION & MATERIAL ACCOUNTING POLICY INFORMATION**

**1 General Information**

SAGARMALA FINANCE CORPORATION LIMITED (Formerly Known as Sagarmala Development Company Limited) ("the Company") is a public limited company domiciled in India having registered office 124, 1st Floor, Thapar House, Gate No.2, 124, Janpath, New Delhi – 110001 Central Delhi.

Under the Sagarmala programme, Ministry of Shipping, Government of India, had identified projects for equity participation by the company. Since these projects were undertaken before the incorporation of the company, equity participation was undertaken through respective Ports acting as assignees on behalf of the company. Proportionate shares held by the assignees are to be transferred to the company in due course.

The Company was incorporated in India under the provisions of Companies Act, 2013 on 31st August 2016 with the underlying objective of promoting port-led development. The Company strives to reduce logistics costs for both domestic and EXIM cargo. It intends to create, among others, ports, port-connectivity, and transshipment hub of international standards to generate economic activity all along the Indian coastline, with the participation of coastal communities. It also assists the state level/zone level special purpose vehicles (SPVs) and SPVs to be set up by the ports, with equity support for implementation of the projects that they will undertake.

The Name of the Company has been changed from Sagarmala Development Company Limited to **Sagarmala Finance Corporation Limited** with the approval of Ministry of Corporate Affairs dated 05th June, 2025 and clause III A of the MOA has been amended to include the business to finance all activities and initiatives relating to maritime sector to take on the business of Non- Banking Finance Company. The Company has obtained the Certificate of Registration No.N.14.03652 dated 19th June, 2025 as Type-II Non Deposit taking NBFC from the Reserve Bank of India u/s-45-IA (5) of the Reserve Bank of India Act, 1934 to commence and carry on the business of NBFC-ND. The company is in the process to fulfill the requirement of the Reserve Bank of India order/permission to commence the business of Non- Banking Finance Company (NBFC)-ND.

**MATERIAL ACCOUNTING POLICY INFORMATION**

**2 Accounting Policies, Measurement Methods and Basis of Preparation**

**2.1 Statement of Compliance**

The Standalone financial statements as at and for year ended 31st March, 2025 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These financial statements were approved for issue by Board of Directors on 24.09.2025

**2.2 Basis of Measurement**

The financial statements have been prepared under the historical cost convention and on an accrual basis, except for the following item that have been measured at fair value as required by relevant Ind-AS.

- a. Employee defined benefit plan.
- b. Certain financial assets and liabilities measured at fair value.

**2.3 Use of Estimates and Judgement**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates includes future obligations under employee retirement benefit plans and estimated useful life of property, plant and equipment, Employee benefit expenses, provisions etc. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognized in the period in which the results are known /materialized.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

**Property, Plant and Equipment:** The useful lives and residual values are reviewed periodically along with depreciation method.

**Provisions:** Provisions are determined based on estimation to settle the obligation at balance sheet date.

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**Contingent Liabilities/Assets:** Contingent Liabilities/Assets are disclosed based on judgement of management, are reviewed at each balance sheet date and are adjusted to reflect current management estimate.

**Recognition of Deferred Tax Assets:** Deferred Tax Asset is recognized based on the assessment of probability of future taxable income against which the deferred tax can be utilized.

**Leases:-** Company uses its judgement in determining whether or not contract contains a lease, extension option of the lease agreement and termination option of the lease agreement will exercised or not. Further company uses estimation in calculating the appropriate discount rate to use and lease term of the leases.

All financial information presented in Indian rupees and all values are rounded to the nearest lakhs except where otherwise stated.

**2.4 Statement of Cash Flow**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, cash at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand which are considered part of the Company's cash management system.

**2.5 Functional and Presentation Currency**

Items Included in the Financial Statements are measured using the currency of primary economic environment in which the Company operates (Functional Currency) The financial statements are presented in Indian Rupee (INR), which is functional as well as presentation currency of company.

a) Transactions in foreign currency are recorded at the rate of exchange prevailing at the time of transaction. Exchange differences arising on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

b) Monetary items denominated in foreign currency are translated using the exchange rate prevailing at the reporting date and the resulting exchange difference is recognized in the Statement of Profit and Loss.

**2.6 Property, Plant and Equipment**

**2.6.1 Property, Plant and Equipment**

Property, Plant and Equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost of asset includes the following:

- (a) Cost directly attributable to the acquisition of the assets
- (b) Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.
- (c) Cost of replacement, major inspection, repair of significant parts is capitalized if the recognition criteria are met.

(d) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of assets. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in statement of profit or loss.

**2.6.2 Depreciation**

- (a) Depreciation on Property, Plant and Equipment is provided on Written Down Value method (WDV) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.
- (b) Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.
- (c) Property, Plant and Equipment individually costing Rs. 5,000 or less are fully depreciated in the year of purchase.

The estimated useful life of assets for current and comparative period of significant items of property plant and equipment are as follows:

Particulars	Useful Life
Computers and peripherals	3
Computer Servers	6
Office Equipment's	5

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

Furniture and fixtures	10
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(d) Depreciation methods, useful lives and residual values are reviewed at each reporting date.

The Board of Directors in their meeting held on 19th August'25, approved amendment in rate of depreciation on mobile phone . Mobile phones w.e.f. 01st April'25 to be depreciated in two years with Nil residual value.

### 2.6.3 Capital Work in Progress

Capital work in progress includes the cost of property, plant and equipment (PPE) that are not yet ready for their intended use and the cost of assets not put to use before the balance Sheet date.

### 2.7 Intangible Assets

An intangible Asset is recognized where it is probable that the future economic benefits attributable to the assets will flow to the company and cost of the asset can be measured reliability. Intangible assets are stated at historical cost less accumulated amortization and impairment loss, if any.

#### **Amortization**

Assets are amortized over their respective estimated useful lives on a straight- line basis from the date that they are available for use.

The estimated useful life of intangibles are as follows:

Particulars	Useful Life	Generation Mode (Acquired/Self)
Software	3	Acquired

Amortization methods, useful lives and residual values are reviewed at each reporting date.

### 2.8 Provisions, Contingent Liabilities and Contingent Assets

**Provisions** are recognized in respect of liabilities which can be measured only by using a substantial degree of estimates when:-

- (a) The Company has a present obligation as a result of a past event,
- (b) It is Probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and,
- (c ) The amount of the obligation can be reliably estimated

Provisions are reviewed at each Balance Sheet date.

#### Discounting of provision

Where the effect of the time value of money is material the amount of a provision shall be the present value of the expenditure expected to be required to settle the obligation.

**Contingent Liabilities** are disclosed in either of the following cases:

1. A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
2. A reliable estimate of the present obligation cannot be made; or
3. A possible obligation, unless the probability of outflow of resource is remote.

Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.

**Contingent assets** are disclosed where an inflow of economic benefits is probable.

### 2.9 Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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.

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**Dividend Income**

Income from dividend on shares of corporate bodies is taken into account on accrual basis when right to receive payment is established. Provided that in case of final dividend, the right to receive payment shall be considered as established only upon approval of the dividend by the shareholders in the Annual General Meeting.

Dividend on financial assets subsequently measured at receipt value basis through profit and loss is recognised separately under the head 'Dividend Income'.

**Interest Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable using Effective Interest rate Method.

**Other Income**

Other income includes Tender fees/ Job Application Fee etc. have been accounted for on receipt basis.

**2.10 Leases**

**(a) As a lessee**

(i) The Company Recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

(ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use-asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

(iv) The lease liability is measured at amortized cost using the effective interest method, it is remeasured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

(v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Property plant and equipment" and lease liabilities in "other financial liabilities" in the Balance Sheet.

(vi) **Short term Lease and Leases of low value assets:-**The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**(b) As a lessor**

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of "Other Income".

**2.11 Impairment of Assets**

In accordance with IND AS-36 Impairment of Assets, the carrying amounts of Company's assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment.

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

If any such indication exists, the asset's recoverable amount is estimated as the higher of the Fair Value less cost to sell and the value in use. An impairment loss is recognized in Statement of Profit and Loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit and Loss.

**2.12 Borrowing Cost**

The company incurred no borrowing cost attributable to the acquisition or construction of any qualifying assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and Loss.

**2.13 Employee Benefits**

**(a) Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, short- term compensated absences, LTC etc. are recognized in the period in which the employee renders the related service.

**(b) Long Term Employee Benefits:**

**(i) The obligation for long-term employee benefits such as half pay leave and LTC**

- Accounted for on actuarial valuation made at the end of year as per Ind AS-19.
- The actuarial gains/losses are recognized in the Statement of Profit and Loss for the year.

**(ii) Leave Encashment**

- The company recognizes the obligation of a defined benefit plan in its balance sheet as a liability and are determined by actuarial valuation, performed by an independent actuary, at the year end.
- Company recognizes components of defined benefit cost in the Statement of Profit and Loss for the year.

**(b) Post Employee Benefits:**

**Defined contribution plans**

The Company's contribution to Provident Fund is recognized during the period in which the employee renders the related service.

Gratuity is a post-employment defined benefit plan. The liability recognized in the balance sheet is the present value of the defined benefit obligation at the balance sheet date less fair value of plan assets. The defined benefit obligation is calculated by an independent actuary using projected unit credit (PUC) method as per Ind AS-19.

Provision/liabilities towards Foreign Service Contribution- Pension and Leave Salary are made in terms of Government Rules & Regulations for employees on deputation and charged to statement of Profit and Loss on accrual basis.

**2.14 Taxes**

**(a) Current Income tax**

Tax expense for the year comprises of current Income tax and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities using the applicable tax rates.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current tax related to OCI Items is recognized in Other Comprehensive Income (OCI).

**(b) Deferred Tax**

In accordance with the Indian Accounting Standard (IND-AS 12) "Income Taxes" issued by the Institute of Chartered Accountants of India.

(i) Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

(ii) Deferred income tax assets are recognized 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 utilized.

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

(iii) The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

(iv) Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

**2.15 Earning Per Share**

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

The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue and share split.

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

**2.16 Dividend to Equity Shareholders**

Annual Dividend distribution to the Company's equity shareholders is recognised as liability in the period in which dividend is approved by the shareholders. Any interim dividend is recognised as liability on approval by the Board of Directors. Dividend payable is recognised directly in Retained Earnings.

**2.17 Events Occurring after Balance Sheet Date**

Events occurring after Balance Sheet date are considered in the preparation of financial statements in accordance with Ind AS 10 (Contingencies and Events Occurring After Balance Sheet Date).

**2.18 Fair Value Measurement**

Company measures certain financial instruments at fair value at each reporting 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. in the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

**2.19 Expenditure on issue of shares**

Expenditure on issue of shares, if any, is charged to the retained earnings.

**2.20 Financial Instruments**

**Initial Recognition**

Financial Assets and Liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**Subsequent Recognition**

**Financial Assets** are classified in following categories:

**a) At Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**b) Fair Value through Other Comprehensive Income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**c) At Fair Value through Profit and Loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**d) Investment in Subsidiary and Associates**

Equity investments in subsidiary and Associate companies are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'.

**Financial Liabilities** : are classified in following categories:

**a) Financial liabilities at Amortized Cost**

Financial liabilities at amortised cost represented by trade and other payables, security deposits and retention money etc. are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

**b) Financial liabilities at Fair Value through Profit and Loss**

The company has not designated any financial liabilities at FVTPL.

**De-Recognition**

**Financial Asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

**Financial Liability**

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

**Impairment of financial assets:**

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss.

**2.21 Prior Period expenses and income**

Expenditure/income relating to prior periods arising in current year as a result of errors or omissions not exceeding Rs.10,00,000 or 1 percent of operating revenue (net of statutory levies) whichever is higher in each case shall be treated as expenditure /income of current year. The effect of any expenditure exceeding the above noted limit will be considered for reinstatement of the opening balance sheet by way of adjustment in retained earning.

**2.22 Prepaid Items**

Individual items of prepaid Expenses in excess of Rs.2,00,000/- each are recognized as Prepaid expense, however prepaid expenses upto Rs.2,00,000/- are charged to natural head of account.

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**3 Property, Plant and Equipment**

(INR in Lakhs)

Particulars	Computer & Peripherals	Furniture and Fixtures	Office Equipment	RoU Assets	Total
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**Cost or Deemed Cost**

<b>At 31st March 2023</b>	<b>10.27</b>	<b>7.10</b>	<b>17.02</b>	<b>508.40</b>	<b>542.79</b>
Additions	11.42	4.64	2.58	296.05	314.69
Disposals	-	-	-	508.40	508.40
<b>At 31st March 2024</b>	<b>21.69</b>	<b>11.74</b>	<b>19.60</b>	<b>296.05</b>	<b>349.08</b>
Additions	8.31	1.16	9.76		19.23
Disposals	2.87	-	-		2.87
<b>At 31st March 2025</b>	<b>27.13</b>	<b>12.90</b>	<b>29.36</b>	<b>296.05</b>	<b>365.44</b>

**Depreciation and impairment**

<b>At 31st March 2023</b>	<b>7.89</b>	<b>5.13</b>	<b>11.28</b>	<b>480.26</b>	<b>504.56</b>
Depreciation charge for the year	5.15	1.04	3.10	99.51	108.80
Disposals	-	-	-	508.40	508.40
<b>At 31st March 2024</b>	<b>13.04</b>	<b>6.17</b>	<b>14.38</b>	<b>71.37</b>	<b>104.96</b>
Depreciation charge for the year	7.08	1.45	3.66	98.68	110.87
Disposals	2.73	-	-	-	2.73
<b>At 31st March 2025</b>	<b>17.39</b>	<b>7.62</b>	<b>18.04</b>	<b>170.05</b>	<b>213.10</b>

**Net book value**

<b>At 31st March 2025</b>	<b>9.74</b>	<b>5.27</b>	<b>11.32</b>	<b>126.00</b>	<b>152.34</b>
<b>At 31st March 2024</b>	<b>8.65</b>	<b>5.57</b>	<b>5.22</b>	<b>224.68</b>	<b>244.12</b>

### 3.1 Capital Work in Progress

(INR in Lakhs)

Particulars	Office Equipments	Computer & Peripherals	Furniture and Fixtures	Buildings	Total
<b>Closing Balance as at 31st March 2023</b>	-	-	-	-	-
Additions	0.25	-	-	-	0.25
Disposals/Adjustments	-	-	-	-	-
<b>Closing Balance as at 31st March 2024</b>	0.25	-	-	-	0.25
Additions	-	-	-	-	-
Disposals/Adjustments	0.25	-	-	-	0.25
<b>Closing Balance as at 31st March 2025</b>	-	-	-	-	-

#### 3.1.1 Capital Work in Progress ageing Schedule

##### CWIP ageing schedule as on 31st March 2025

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-

##### CWIP ageing schedule as on 31st March 2024

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.25	-	-	-	0.25

#### 4 Other Intangible Assets

Particulars	(INR in Lakhs)	
	Software	Total
<b>At 31st March 2023</b>	<b>0.83</b>	<b>0.83</b>
Addition during the year	-	-
Adjustment	-	-
<b>At 31st March 2024</b>	<b>0.83</b>	<b>0.83</b>
Addition during the year	-	-
Adjustment	-	-
<b>At 31st March 2025</b>	<b>0.83</b>	<b>0.83</b>
<b><u>Amortization and Impairment</u></b>		
<b>At 31st March 2023</b>	<b>0.83</b>	<b>0.83</b>
Amortization	-	-
Impairment	-	-
<b>At 31st March 2024</b>	<b>0.83</b>	<b>0.83</b>
Amortization	-	-
Impairment	-	-
<b>At 31st March 2025</b>	<b>0.83</b>	<b>0.83</b>
<b><u>Net book value</u></b>		
<b>At 31st March 2025</b>	-	-
<b>At 31st March 2024</b>	-	-

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

Notes to the Standalone Financial Statements for the year ended 31st March 2025

**5 Financial Assets - Non-Current**

<b>5.1 Investments</b>	<b>(INR in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024 Restated *</b>
<b><u>Subsidiary Company</u></b>		
<b>In Equity Shares- Unquoted-at- cost, fully paid up</b>		
<b>India Port Global Limited</b>		
( 10,00,000 shares of Rs.100 each)	1,000.00	1,000.00
(Previous Year 10,00,000 shares of Rs.100 each)		
<b>Total</b>	<b>1,000.00</b>	<b>1,000.00</b>
<b><u>Associate Company</u></b>		
<b>1 In Equity Shares- Unquoted-at- cost, fully paid up</b>		
<b>Krishnapatnam Railway Company Limited</b>		
( 12,50,00,000 shares of Rs.10 each)	12,500.00	12,500.00
(Previous Year 12,50,00,000 shares of Rs.10 each)		
	<b>12,500.00</b>	<b>12,500.00</b>
<b>2 In Equity Shares- Unquoted-at- cost, fully paid up</b>		
<b>Haridaspur Paradip Railway Company Limited</b>		
( 33,67,88,058 shares of Rs.10 each) (Previous Year	33,678.81	33,678.81
33,67,88,058 shares at Rs.10each)		
<b>Total</b>	<b>33,678.81</b>	<b>33,678.81</b>
<b>3 In Equity Shares- Unquoted-at- cost, fully paid up</b>		
<b>Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited</b>		
( 49,000 shares of Rs.10 each)	4.90	-
<b>Total</b>	<b>4.90</b>	<b>-</b>
<b>4 In Equity Shares- Unquoted-at- cost, fully paid up</b>		
<b>Vishakhapatnam Port Road Company Limited</b>		
( 2,00,00,000 shares of Rs.10 each)	2,000.00	2,000.00
(Previous Year 2,00,00,000 shares of Rs.10 each)		
	<b>2,000.00</b>	<b>2,000.00</b>
<b>OTHERS:</b>		
<b>1 At Fair Value through Other Comprehensive Income</b>		
<b>Calcutta Haldia Port Road Company Limited</b>		
( 2,00,00,000 shares of Rs.10 each at premium of Rs. 15)	1,850.00	2,084.00
(Previous Year 2,00,00,000 shares of Rs.10 each at premium of Rs. 15)		
<b>Total</b>	<b>1,850.00</b>	<b>2,084.00</b>
<b>Total Non current investments</b>	<b>51,033.71</b>	<b>51,262.81</b>
<b>Aggregate value of unquoted investments</b>	<b>51,033.71</b>	<b>51,262.81</b>
<b>Aggregate amount of impairment in value of investments</b>	<b>-</b>	<b>-</b>
<b>* Restated Refer Note No.49</b>		

**SAGARMALA FINANCE CORPORATION LIMITED**  
(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)

Notes to the Standalone Financial Statements for the year ended 31st March 2025

**5.2 Other Non-Current Financial Assets**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Security Deposits	88.48	85.49
Deposits with original maturity of more than 12 months	-	15,300.00
<b>Total</b>	<b>88.48</b>	<b>15,385.49</b>

**6 Deferred Tax Assets**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
<b>A. Deferred Tax Liabilities</b>		
Property, Plant and Equipment	-	-
Other Disallowances	-	-
OCI Items	-	-
<b>Total of Deferred Tax Liabilities</b>	<b>-</b>	<b>-</b>
<b>B. Deferred Tax Assets</b>		
OCI Items	0.25	-
Property, Plant and Equipment	2.92	2.27
Employee Benefits	11.26	6.75
Lease Liability (Net of ROU)	2.86	1.70
<b>Total deferred tax asset</b>	<b>17.29</b>	<b>10.72</b>
<b>Net Deferred Tax Assets/ (Liability)</b>	<b>17.29</b>	<b>10.72</b>

**6.1 Movement in Deferred Tax (liability)/ asset \***

(INR in Lakhs)					
Particulars	Investment	Lease liability	Provision for Employee Benefits	Property, Plant and Equipment	Total
<b>Opening balance as at 1st April 2024</b>	<b>-</b>	<b>2.25</b>	<b>-</b>	<b>1.85</b>	<b>4.11</b>
Charged/(credited) during 2023-24					
To Profit & Loss	-	(0.56)	6.75	0.42	6.61
To other comprehensive income	-	-	-	-	-
<b>Closing balance as at 31st March 2024</b>	<b>-</b>	<b>1.70</b>	<b>6.75</b>	<b>2.27</b>	<b>10.72</b>
Charged/(credited) during 2024-25					
To Profit & Loss	-	1.16	4.51	0.65	6.33
To other comprehensive income	-	-	0.25	-	0.25
<b>Closing balance as at 31st March 2025</b>	<b>-</b>	<b>2.86</b>	<b>11.51</b>	<b>2.92</b>	<b>17.29</b>

\*Deferred Tax assets for deductible temporary difference on fair valuation of investment has not been recognised since it is not probable that future taxable profit shall be available against which the deductible temporary difference can be utilised.

**7 Other Non Current Asset**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Prepaid Expenses	69.08	92.26
Fair Value Adjustment on Security Deposits	1.58	6.95
<b>Total</b>	<b>70.66</b>	<b>99.21</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

Notes to the Standalone Financial Statements for the year ended 31st March 2025

**8 Financial Assets- Current**

**8.1 Cash and Cash equivalent**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Cash on hand	-	-
Balances with banks:		
On Current Accounts	153.22	9.47
On Flexi Accounts	11.02	79.16
<b>Total</b>	<b>164.24</b>	<b>88.63</b>

**8.2 Bank Balances other than cash and cash equivalent**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Deposits with maturity of more than 3 months but less than 12 months	53,882.00	34,400.00
<b>Total</b>	<b>53,882.00</b>	<b>34,400.00</b>

**8.3 Other Financial Assets**

Particulars	As at 31st March 2025	As at 31st March 2024
Interest Accrued on FDRs	1,668.56	1,791.26
Recoverable from Ministry of Shipping, Ports and Waterways	96.26	409.65
Other Recoverable	-	5.85
<b>Total</b>	<b>1,764.82</b>	<b>2,206.76</b>

**9 Current tax asset**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
<b>Assets:</b>		
Advance income tax	-	544.86
Income tax refund receivable	-	-
Tax Deducted at Source	-	338.22
<b>Provision for tax:</b>		
Provision for Income Tax	-	(842.36)
<b>Total</b>	<b>-</b>	<b>40.72</b>

**10 Other current assets**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Fair Value Adjustment on Security Deposits	5.72	(1.09)
Advance to Suppliers	2.75	-
Prepaid Expenses	23.93	24.69
Prepaid Interest on Lease Liability	0.34	0.56
<b>Total</b>	<b>32.73</b>	<b>24.16</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
Notes to the Standalone Financial Statements for the year ended 31st March 2025

**11 Equity Share Capital**

Particulars	(INR in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
<b>Authorized share capital</b>		
1,00,00,00,000 Equity Shares of Rs. 10 each	1,00,000.00	1,00,000.00
(31st March, 2024: 1,00,00,00,000 Equity Shares of Rs.10 each)	<b>1,00,000.00</b>	<b>1,00,000.00</b>
<b>Issued, Subscribed &amp; Fully Paid up Share Capital with voting rights</b>		
1,00,00,00,000 Equity Shares of Rs. 10 each	1,00,000.00	1,00,000.00
(31st March, 2024: 1,00,00,00,000 Equity Shares of Rs.10 each)	<b>1,00,000.00</b>	<b>1,00,000.00</b>

**(a) Details of Shareholding of each Promoter**

Name of the Promoter	As at 31st March 2025			As at 31st March 2024		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
The President of India	99,99,99,994	99.9999993%	-	99,99,99,994	99.9999993%	16.74%
Shri Sushil Kumar Singh *	-	-	-	1	0.0000001%	-
Shri Bhushan Kumar *	-	-	-	1	0.0000001%	-
Shri R Lakshmanan *	1	0.0000001%	-	1	0.0000001%	-
Shri Vinay Kumar Prajapati *	1	0.0000001%	-	1	0.0000001%	-
Shri Agrim Kaushal *	-	-	-	1	0.0000001%	-
Shri Sunil Kumar Singh *	-	-	-	1	0.0000001%	-
Shri Sandeep Gupta *	1	0.0000001%	-	-	-	-
Shri Mukesh Mangal *	1	0.0000001%	-	-	-	-
Shri Animesh Bharti *	1	0.0000001%	-	-	-	-
Shri H.N.Aswath *	1	0.0000001%	-	-	-	-
<b>Total</b>	<b>1,00,00,00,000</b>	<b>100%</b>	<b>0.00%</b>	<b>1,00,00,00,000</b>	<b>100%</b>	<b>16.74%</b>

\* The above shareholders are holdig shares in nominee capacity on behalf of president of India through MoPSW

**(b) Reconciliation of the number of equity shares and share capital**

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of shares (in Lakhs)	Amount (in Lakhs)	No. of shares (in Lakhs)	Amount (in Lakhs)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	10,000.00	1,00,000.00	8,565.70	85,657.00
Add: Shares Issued during the year	-	-	1,434.30	14,343.00
Shares bought back during the Year	-	-	-	-
<b>Issued/Subscribed and Paid up equity Capital outstanding at the end of the year</b>	<b>10,000.00</b>	<b>1,00,000.00</b>	<b>10,000.00</b>	<b>1,00,000.00</b>

**(c) Terms/Rights attached to Equity Shares**

The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

The company has declared and paid interim dividend of Rs.3,50,00,000/- (Rs.0.0350/- on each fully paid 100,00,00,000 Nos. of equity shares) in Indian Rupees. The dividend, is subject to the approval of the shareholders in the ensuring Annual General Meeting.

**(d) Details of Shares held by each shareholder holding more than 5% shares in the company**

Name of the shareholder	As at 31st March 2025		As at 31st March 2024	
	No. of Shares (in Lakhs)	% holding in the class	No. of Shares (in Lakhs)	% holding in the class
President of India	10,000.00	100.00	10,000.00	100.00
<b>Total</b>	<b>10,000.00</b>	<b>100.00</b>	<b>10,000.00</b>	<b>100.00</b>

**(e) Aggregate no. of equity shares issued as fully paid by way of bonus, other than cash & shares bought back during the period of five years immediately preceding the reporting date**

Particulars	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
	No in lakhs	No in lakhs	No in lakhs	No in lakhs	No in lakhs
Equity Shares issued for consideration other than cash	-	-	-	-	700.00
Equity Shares issued as fully paid up bonus shares	-	-	-	-	-
Equity Shares bought back	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>700.00</b>



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**12 Other Equity**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024 Restated *
Retained Earnings(Refer Note 12.1)	9,939.46	6,177.15
FVTOCI Equity Instrument & Change in fair value of Defined Benefit Obligation(Refer Note 12.2)	(3,150.74)	(2,916.00)
<b>Total</b>	<b>6,788.72</b>	<b>3,261.15</b>

**12.1 Retained Earnings**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Balance as per last financial statement	6,177.15	3,840.53
Add: Net profit for Current Year	4,112.31	2,350.96
Less: Interim dividend	(350.00)	-
Less: Share Issue Expenses	-	(14.34)
<b>Closing Balance</b>	<b>9,939.46</b>	<b>6,177.15</b>

**12.2 FVTOCI Equity Instrument and Change in fair value of Defined Benefit Obligation**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024 Restated *
Balance as per last financial statement	(2,916.00)	(3,960.00)
Change in fair value of FVTOCI equity instrument	(234.00)	1,044.00
Change in fair value of Defined Benefit Obligation	(0.99)	-
Tax Effect on above	0.25	-
<b>Total</b>	<b>(3,150.74)</b>	<b>(2,916.00)</b>

**Nature and purpose of Reserve**

SMFCL has elected to recognize changes in fair value of investment in equity securities of M/s Calcutta Haldia Port Road Company Limited in other comprehensive income. These changes are accumulated within the FVTOCI Equity Investments Reserves within Equity. The company transfers amounts from this Reserve to Retained Earnings when the relevant Equity Securities are de-recognized.

\* Restated Refer Note No.49

**Financial Liabilities**

**13 Lease Liabilities - Non Current**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Lease Liabilities	28.97	137.35
<b>Total</b>	<b>28.97</b>	<b>137.35</b>

**14 Provisions - Non Current**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Provisions for Employee Benefits	44.74	26.05
<b>Total</b>	<b>44.74</b>	<b>26.05</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**15 Financial Liabilities - Current**

<b>15.1 Lease Liabilities</b>		<b>(INR in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>	
Lease Liabilities	108.53	94.06	
<b>Total</b>	<b>108.53</b>	<b>94.06</b>	

<b>15.2 Trade Payables</b>		<b>(INR in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>	
		<b>Restated *</b>	
i) Trade Payables of micro enterprises and small enterprises	31.41	11.06	
ii) Trade Payables of other than micro enterprises and small enterprises	80.70	107.91	
<b>Total</b>	<b>112.11</b>	<b>118.97</b>	

**Trade Payables ageing schedule as on 31st March 2025**

<b>Particulars</b>	<b>Outstanding for the year ended March 31, 2025 from the due date of payment</b>				
	<b>Less than 1 Year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
Total outstanding dues of micro enterprises and small enterprises	23.15	8.26			<b>31.41</b>
Total outstanding dues of creditors other than micro enterprises and small enterprises	79.70	-	<b>1.00</b>	-	<b>80.70</b>
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
<b>Total</b>	<b>102.85</b>	<b>8.26</b>	<b>1.00</b>	-	<b>112.11</b>

**Trade Payables ageing schedule as on 31st March 2024**

<b>Particulars</b>	<b>Outstanding for the year ended March 31, 2024 from the due date of payment</b>				
	<b>Less than 1 Year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
Total outstanding dues of micro enterprises and small enterprises	11.06	-	-	-	11.06
Total outstanding dues of creditors other than micro enterprises and small enterprises	20.95	37.09	49.87	-	107.91
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
<b>Total</b>	<b>32.01</b>	<b>37.09</b>	<b>49.87</b>	-	<b>118.97</b>

\* Restated Refer Note No.49

**15.3 Other Financial Liabilities**

		<b>(INR in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>	
		<b>Restated *</b>	
Security Deposits	9.40	16.95	
Other Payables	12.02	9.52	
<b>Total</b>	<b>21.42</b>	<b>26.47</b>	

\* Restated Refer Note No.49

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**16 Other Current Liabilities**

(INR in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Statutory Dues	26.99	59.05
<b>Total</b>	<b>26.99</b>	<b>59.05</b>

Statutory Dues include TDS, GST Dues, Deputation Service Contribution Payable and Provident Fund payable.

**17 Provisions- Current**

(INR in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for stamp duty	39.00	39.00
Provisions for Employee Benefits	1.00	0.77
Provision for interest on income tax	0.34	-
<b>Total</b>	<b>40.35</b>	<b>39.77</b>

**(a) Movement in Provisions as at 31st March 2025**

(INR in Lakhs)

Particulars	Carrying amount as at beginning of the year	Additional provision made during the year	Amount used/reversed during the year	Carrying amount as on the end of the year
Provision for stamp duty	39.00	-	-	39.00
Provisions for Employee Benefits	0.77	0.83	(0.60)	1.00
Provision for interest on income tax	-	0.34	-	0.34
	<b>39.77</b>	<b>1.17</b>	<b>(0.60)</b>	<b>40.35</b>

**(b) Movement in Provisions as at 31st March 2024**

(INR in Lakhs)

Particulars	Carrying amount as at beginning of the year	Additional provision made during the year	Amount used/reversed during the year	Carrying amount as on the end of the year
Provision for stamp duty	73.16	14.35	(48.50)	39.00
Provisions for Employee Benefits	-	0.77	-	0.77
	<b>73.16</b>	<b>15.12</b>	<b>(48.50)</b>	<b>39.77</b>

**18 Current tax liability**

(INR in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Assets:</b>		
Advance income tax	817.00	-
Income tax refund receivable		
Tax Deducted at Source	551.53	-
<b>Provision for tax:</b>		
Provision for Income Tax	(1,402.97)	-
<b>Total</b>	<b>(34.44)</b>	<b>-</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**19 Revenue from Operations**

(INR in Lakhs)

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Dividend Income	2,480.73	430.00
<b>Total</b>	<b>2,480.73</b>	<b>430.00</b>

**20 Other Income**

(INR in Lakhs)

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Interest income on Security deposits(Unwinding of Discount)	5.53	5.78
Interest Income from Deposits with Bank	3,921.62	3,614.34
Misc. Income	0.22	3.29
Tender Fee	0.76	3.44
<b>Total</b>	<b>3,928.13</b>	<b>3626.85</b>

**21 Employee Benefits Expenses**

(INR in Lakhs)

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Salaries and Wages	224.12	134.94
Contribution to Provident Fund, Leave Encashment and Other Funds	19.49	28.52
Gratuity	4.53	2.61
Staff Welfare Expenses	26.12	16.71
Contribution for Employee on Deputation	8.62	5.54
<b>Total</b>	<b>282.88</b>	<b>188.32</b>

**22 Finance Costs**

(INR in Lakhs)

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Interest expense for leasing arrangements	16.80	17.92
Other Finance Cost	-	2.31
<b>Total</b>	<b>16.80</b>	<b>20.23</b>

**23 Depreciation and Amortization**

(INR in Lakhs)

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Depreciation on Property, Plant and Equipment (refer note 3)	12.19	9.29
Depreciation of right-of-use assets(refer note 3)	98.68	99.51
Amortization of Intangible Assets (refer note 4)	-	-
<b>Total</b>	<b>110.87</b>	<b>108.80</b>

**24 CSR Expense**

(INR in Lakhs)

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Amount spent during the year for Corporate Social Responsibility	40.53	19.71
<b>Total</b>	<b>40.53</b>	<b>19.71</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**25 Other Expenses**

Particulars	(INR in Lakhs)	
	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Advertisement Expense	15.65	9.64
Outsourcing Staff Expenses	44.89	31.83
Bank Charges	0.04	0.03
Communication Expenses	3.21	1.96
Legal and Professional Charges	145.41	159.14
Office Expense	35.00	12.48
Office Rent Expense	0.00	0.00
Payment to Statutory Auditor (Refer Note: 25 A)	2.37	2.29
Power and Fuel Expense	7.98	9.24
Other Expenses	0.00	0.01
Repair & Maintenance Expense	76.94	69.68
Travelling & Conveyance Expense	70.71	47.43
Meeting & Conference	7.03	38.64
Rates & Taxes	83.27	85.75
Miscellaneous expenses	3.85	2.36
Lease Expenses	5.64	3.94
Interest on income tax expense	5.20	-
Interest on TDS payment	0.03	-
Penalty for late payment of stamp duty expenses	-	0.13
<b>Total</b>	<b>507.23</b>	<b>474.54</b>

**Note 25 A: Details of Payment to Statutory Auditors**

Payment to the Auditors comprises of the following:

Particulars	(INR in Lakhs)	
	For the Year ended 31st March 2025	For the Year ended 31st March 2024
<b>Payment to Auditor</b>		
Statutory Audit Fee	2.12	2.04
Tax Audit Fee	0.25	0.25
<b>Total</b>	<b>2.37</b>	<b>2.29</b>

**26 Exceptional Items**

Particulars	(INR in Lakhs)	
	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Accounts Payable Written Back *	59.13	-
<b>Total</b>	<b>59.13</b>	<b>-</b>

\* The Company has written back the outstanding balances of various suppliers due to long outstanding / receipt of no claims, and kept memoranda account of same so that in case same is claimed in future it will be paid after approval of competent authority

**27 Taxes**

**27.1 Income tax recognised in profit and loss**

Particulars	(INR in Lakhs)	
	For the Year ended 31st March 2025	For the Year ended 31st March 2024
<b>Current Income Tax Expenses</b>		
Current Tax on profits for the years	1,402.97	842.36
Adjustments in respect of current income tax of previous year	0.72	58.54
<b>Total Current Tax Expenses</b>	<b>1,403.70</b>	<b>900.90</b>
<b>Deferred Income Tax Expenses</b>		
In respect of the current year	(6.33)	(6.61)
<b>Total Deferred Tax Expenses</b>	<b>(6.33)</b>	<b>(6.61)</b>
<b>Income tax expenses attributable to continuing operations</b>	<b>1,397.37</b>	<b>894.29</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)

Notes to the Standalone Financial Statements for the year ended 31st March 2025

**27.2 Tax related to items recognised in OCI during the year:**

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
On fair valuation of investment & defined benefit plan *	0.25	-
<b>Income tax charged to OCI</b>	<b>0.25</b>	<b>-</b>

\*Deferred Tax assets for deductible temporary difference on fair valuation of investment has not been recognised since it is not probable that future taxable profit shall be available against which the deductible temporary difference can be utilised.

**27.3 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2025 and 31st March 2024:**

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Accounting profit before tax from continuing operations	5,509.68	3,245.25
Profit/(loss) before tax from a discontinued operation	-	-
<b>Accounting profit before income tax</b>	<b>5,509.68</b>	<b>3,245.25</b>
At India's Statutory Income Tax rate of 25.17% (31st March 2024 25.17%)	1,386.68	816.76
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income</b>		
Add/less : Tax effect due to Deductible & Non Deductible expenses(Net) and other items	16.29	25.59
Tax expenses for previous year and Deferred Tax	(5.61)	51.93
<b>At the effective Income Tax rate of 25.17% (31st March 2024 25.17%)</b>	<b>1,397.37</b>	<b>894.28</b>
Income Tax expenses reported in statement of profit and loss for current year	1,397.37	894.29
<b>Income tax expenses reported in statement of Profit and loss</b>	<b>1,397.37</b>	<b>894.29</b>

**28 Components of Other Comprehensive Income**

(INR in Lakhs)

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024 **
<b><u>Items that will not be reclassified to Profit &amp; Loss</u></b>		
Fair Valuation of Investment *	(234.00)	1,044.00
Fair Valuation of Defined Benefits Plan	(0.99)	-
	<b>(234.99)</b>	<b>1,044.00</b>

\*Deferred Tax assets for deductible temporary difference on fair valuation of investment has not been recognised since it is not probable that future taxable profit shall be available against which the deductible temporary difference can be utilised.

\*\* Restated Refer Note No.49

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**29 Earnings per share (EPS)**

<b>Particulars</b>	<b>For the Year ended 31st March 2025</b>	<b>For the Year ended 31st March 2024</b>
<b>Basic EPS</b>		
From continuing operation (In Rs.)	0.41	0.24
<b>Diluted EPS</b>		
From continuing operation (In Rs.)	0.41	0.24

**29.1 Basic Earning per Share**

Basic EPS are calculated by dividing the profit for the year attributable to equity holders of the company by weighted average number of equity shares outstanding during the year

The earning and weighted average number of equity share used in calculation of basic earning per share:

(INR in Lakhs)

<b>Particulars</b>	<b>For the Year ended 31st March 2025</b>	<b>For the Year ended 31st March 2024</b>
Profit attributable to equity holders of the company (Rs. In lakhs)	4,112.31	2,350.96
Earnings used in calculation of Basic Earning Per Share (Rs. In lakhs)	<b>4,112.31</b>	<b>2,350.96</b>
Weighted average numbers (In Lakhs) of shares for the purpose of basic earnings per share	<b>10,000.00</b>	<b>9,783.87</b>

**29.2 Diluted Earning per Share**

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

(INR in Lakhs)

<b>Particulars</b>	<b>For the Year ended 31st March 2025</b>	<b>For the Year ended 31st March 2024</b>
Profit attributable to equity holders of the company (Rs. In lakhs)	4,112.31	2,350.96
Earnings used in calculation of diluted earning per share (Rs. In lakhs)	<b>4,112.31</b>	<b>2,350.96</b>

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

<b>Particulars</b>	<b>For the Year ended 31st March 2025</b>	<b>For the Year ended 31st March 2024</b>
Weighted average number (in Lakhs ) of Equity shares used in calculation of basic earnings per share	10,000.00	9,783.87
<b>Effect of dilution:</b>		
Potential number of Equity Shares		
Weighted average number (in Lakhs) of Equity shares used in calculation of diluted earnings per share	<b>10,000.00</b>	<b>9,783.87</b>



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**30 Capital management**

The company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stake holders.

Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. There is no change in the objectives of managing capital in the current period from the previous period.

**31 Fair Value Measurements**

(i) The carrying amount of financial Instruments by Category are as follow:

Particulars	31st March 2025			31st March 2024		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
(i) Investments	-	1,850.00	49,183.71	-	2,084.00	49,178.81
(ii) Security Deposits	-	-	88.48	-	-	85.49
(iii) Cash and cash equivalents	-	-	164.24	-	-	88.63
(iv) Bank Balances other than (iii) above	-	-	53,882.00	-	-	34,400.00
(v) Loans	-	-	-	-	-	-
(vi) Other financial assets - Current	-	-	1,764.82	-	-	2,206.76
(vii) Other financial assets - Non Current	-	-	-	-	-	15,300.00
<b>Total Financial Assets</b>		<b>1,850.00</b>	<b>1,05,083.25</b>		<b>2,084.00</b>	<b>1,01,259.69</b>
<b>Financial Liabilities</b>						
(i) Lease Liabilities	-	-	137.50	-	-	231.41
(ii) Other financial liabilities	-	-	21.42	-	-	26.47
<b>Total Financial Liabilities</b>			<b>158.92</b>			<b>257.88</b>

(i) The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets are considered to the same as their fair values, due to short term nature.

(ii) The fair value of security deposits were calculated based on discounted cash flows using average interest rate of bank deposits. They are classified as level 3 fair values in fair value hierarchy due to the inclusion of unobservable inputs.

(iii) Investment in Calcutta Haldia Road Company Limited has been valued based on valuation certificate received from an Independent valuer who has arrived at fair value using DCF valuation method. Valuation of investment is made on the basis of future estimated cash flows.

**Fair Value of financial assets and liabilities that are measured at amortised cost (But fair value disclosures are required)**

Particulars	31st March 2025		31st March 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Security Deposits	88.48	85.62	85.49	72.54
<b>Total Financial Assets</b>		<b>85.62</b>		<b>72.54</b>

**Fair Value hierarchy as on 31st March 2025**

Particulars	Level 1	Level 2	Level 3	(INR in Lakhs)
				Total
<b>Financial Assets at Amortized Cost</b>				
Security Deposits	-	-	85.62	85.62
				<b>85.62</b>

**Fair Value hierarchy as on 31st March 2024**

Particulars	Level 1	Level 2	Level 3	(INR in Lakhs)
				Total
<b>Financial Assets at Amortized Cost</b>				
Security Deposits	-	-	72.54	72.54
				<b>72.54</b>

**32 Financial risk management**

The Company is exposed to various risk in relation to financial instruments. The Company is expose to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives, which are summarized below:-

**a) Market Risk**

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk and foreign currency risk. The company does not have any interest rate risk since the company does not have any loans/borrowings as on reporting date.

**b) Foreign Currency Risk**

The exchange fluctuation is due to import of services for project related work from outside India from time to time. Company does not have any hedging instruments to cover foreign exchange risk.

**c) Credit risk**

Credit risk refers to the risk of defaults on its obligation by the counterparty resulting in a financial loss. The company is exposed to credit risk for various financial instruments for example advance to employees, security deposits, loans and other receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

**d) Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.

**e) Liquidity risk**

Company manage its liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirement are compared to available cash in order to determine any shortfalls. Short term liquidity requirements consists mainly of expenses payable for project related work, employees dues, security deposits arising during the normal course of business as of each reporting date. The company maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

The table below provides details regarding the contractual maturities of significant financial liabilities on an undiscounted basis as at 31st March 2025 and 31st March 2024

Particulars	(INR in Lakhs)		
	31st March 2025		
	Less than 1 Year	1-2 years	2 Years and above
Lease Liabilities	116.17	29.39	-
	116.17	29.39	-

Particulars	(INR in Lakhs)		
	31st March 2024		
	Less than 1 Year	1-2 years	2 Years and above
Lease Liabilities	110.64	116.17	29.39
	110.64	116.17	29.39

**Amounts recognised in Statement of Profit and Loss**

	(INR in Lakhs)	
	31st March 2025	31st March 2024
Depreciation expense of right-of-use assets	98.68	99.51
Interest expense on lease liabilities	16.80	17.92
	<b>115.48</b>	<b>117.43</b>

**33 Foreign currency transactions**

Expenditure in Foreign Currency  
Income in Foreign Currency

Nil (Previous period Nil)  
Nil (Previous period Nil)

**34 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:**

Particulars	(INR in Lakhs)	
	31st March 2025	31st March 2024
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	31.41	11.06
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
<b>Total</b>	<b>31.41</b>	<b>11.06</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**35 Related Party Disclosures**

**35.1 Related Parties**

**(a) Key Managerial Personnel of the entity**

<b>Name</b>	<b>Position</b>
Ministry of Ports, Shipping & Waterways; Government of India	Significant control over entities
Sh. T. K. Ramachandran ( Appointed w.e.f. 19.06.2023)	Chairman & Director
Sh. Dilip Kumar Gupta (Director w.e.f. 06.07.2018)	Managing Director
Sh. Ananga Charan Nayak Director -(Fin) (w.e.f. 13.02.2023) (Given additional charge of Director (Proj) (w.e.f. 08.11.2024) & CFO (w.e.f. 29.03.2023)	Director Finance , CFO & Director Proj.
Sh. Bhushan Kumar (w.e.f 16.06.2020 to 27.05.2024)	Nominee Director
Sh. Sushil Kumar (w.e.f. 14.11.2022 to 01.08.2024)	Nominee Director
Sh. R. Lakshmanan (w.e.f 27.05.2024)	Nominee Director
Sh. Venkatesapathy S. (w.e.f 01.08.2024)	Nominee Director
Dr. Rachna Agarwal (w.e.f. 10.12.2021 to 09.12.2024)	Independent Director
Dr.Yogesh Jentibhai Badani (w.e.f. 10.12.2021 to 09.12.2024)	Independent Director
Sh. Maanas Srivastava (w.e.f. 08.08.2023)	Company Secretary

**(b) Other related party**

<b>Name</b>	<b>Principal Place of Operation</b>	<b>Proportion of Ownership Interest</b>	
		<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
<b>Subsidiary</b>			
M/s India Ports Global Limited	India	100%	100%
<b>Associates</b>			
M/s Krishnapatnam Railway Company Limited	India	20.00%	20.00%
Haridaspur Paradip Railway Company Limited	India	25.91%	25.91%
Vishakhapatnam Port Road Company Limited	India	25.87%	25.87%
Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited	India	49.00%	0.00%
<b>Others</b>			
Calcutta Haldia Port Road Company Limited	India	3.28%	3.28%

**35.2 Transactions and balances with related parties:**

**(a) Compensation of key management personnel:**

The remuneration of directors and other members of key management personnel during the year was as follows:

<b>Particulars</b>	<b>(INR in Lakhs)</b>	
	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
Short-term benefits	114.93	115.86
Post-employment benefits	14.28	7.00
Contribution to Defined Contribution Plan	15.19	5.54
Sale of Fixed Assets	0.14	-
<b>Total</b>	<b>144.54</b>	<b>122.85</b>

**(b) Investment in Associate**

<b>Particulars</b>	<b>(INR in Lakhs)</b>	
	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
Capital Contribution in 49% share capital of Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited (49,000 shares of Rs.10 each)	4.90	-
<b>Total</b>	<b>4.90</b>	<b>-</b>

**(c) Dividend from Subsidiary/Associate**

<b>Particulars</b>	<b>(INR in Lakhs)</b>	
	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
Dividend from M/s Haridaspur Paradip Railway Company Limited	2,020.73	-
Dividend from M/s Vishakhapatnam Port Road Company Limited	460.00	430.00
<b>Total</b>	<b>2,480.73</b>	<b>430.00</b>

**35.3 Transactions with the MoPSW**

<b>Name</b>	<b>Nature of Transactions</b>	<b>(INR in Lakhs)</b>	
		<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
Ministry of Ports, Shipping & Waterways	Capital Contribution	-	9,000.00
	Capital Contribution pending Allotment	-	-
	Receipts on behalf of MoPSW on re-imbursable basis during the year	692.25	393.14
	Payments on behalf of MoPSW on re-imbursable basis during the year	378.85	353.90
		<b>1,071.10</b>	<b>9,747.04</b>
Balance recoverable from MoPSW		<b>96.26</b>	<b>409.65</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**36 Disclosures for Employee Benefits as required under Ind AS- 19 'Employee Benefits:**

**(a) Actuarial Assumptions**

S. No.	Particulars	As at 31st March 2025	As at 31st March 2024
(i)	Discount rate(per annum)	6.80%	7.09%
(ii)	Mortality Rate	IALM 2012-14	IALM 2012-14
(iii)	Expected Return on assets	-	-
(iv)	Salary Escalation	7.00%	7.00%
(v)	Attrition Rate	1.00%	1.00%
(vi)	The estimate of future liability increases considered in actuarial valuation, takes into account inflation rate, seniority, promotion and other relevant factors.		

**(a) Total defined benefit cost recognized in statement of Profit or Loss and Other Comprehensive Income (INR in Lakhs)**

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Service Cost	5.33	2.61	7.79	10.42	1.86	8.70
Net Interest Cost	0.19	-	0.98	-	0.70	-
Past Service Cost	-	-	-	-	-	-
Administration Expenses	-	-	-	-	-	-
Actuarial (Gain)/Loss	0.99	-	1.65	-	0.03	-
(Gain)/Loss due to Settlements/Curtailments/Terminations	-	-	-	-	-	-
<b>Total</b>	<b>6.51</b>	<b>2.61</b>	<b>10.42</b>	<b>10.42</b>	<b>2.59</b>	<b>8.70</b>

**(b) Defined contribution plans:**

Expenses related to defined contribution plans Fund is recognised as an expense and included in employee benefits expense in the Statement of Profit and Loss.

(Rs. In Lakhs)

Particulars	For the Period From 1st April, 2024 to 31st March, 2025	From 1st April, 2023 to 31st March, 2024
1. Provident Fund Account	13.88	9.41
2. National Pension Scheme	21.56	NIL

**(c) Net Asset/Liability Recognised in Balance Sheet**

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Present Value of Defined Benefit Obligation	9.12	2.61	23.98	14.16	12.65	10.06
Current Benefit Obligation	0.37	0.01	0.64	0.40	0.33	-
Non-Current Benefit Obligation	9.08	2.60	23.34	13.76	12.32	-

**(d) Change in Obligation over the period ending on**

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Defined Benefit Obligation, Beginning of Period	2.61	-	14.16	-	10.06	-
Net Current Service Cost	5.33	2.61	10.42	10.42	2.59	8.70
Interest Cost on DBO	0.19	-	-	-	-	-
Actuarial (Gains)/Losses	0.99	-	-	-	-	-
Acquisition/Business Combination/Divestiture	-	-	-	3.74	-	1.36
Benefits Paid	-	-	(0.60)	-	-	-
Defined Benefit Obligation, End of Period	9.12	2.61	23.98	14.16	12.65	10.06

**37 Disclosures under Ind AS-116**

- (a) Company has taken its office on the Operating Lease from the Indian City Property Limited. Total lease period of the office is 5 years (i.e.) 11th July 2023 to 10th July 2028 with the minimum lock in period of the three years. License fees agreed to be paid during the lease period is Rs. 8.89 Lakhs per month plus applicable rate of the GST. Licence fees shall be escalated @ 5% after every year. As per the terms of the lease agreement, subject to the lock in period (i.e. 3years) licensee shall have an option to terminate the agreement by serving the prior three months notice in advance. Licensee can also terminate the agreement during the lock in period, however in that case it shall be bound to pay an amount equivalent to the license fees for the remaining lock in period.

**(b) Movement in Right of use assets-Office Building**

(INR in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Opening Balance as to the beginning of the year	224.68	28.14
Additions during the year	-	296.05
Depreciation charge during the year	98.68	99.51
<b>Closing Balance as on the end of the year</b>	<b>126.00</b>	<b>224.68</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

**(c) Movement in Lease Liability**

Particulars	(INR in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
Opening Balance as to the beginning of the year	231.41	37.08
Additions during the year	-	296.05
Interest recognised during the year	16.80	17.92
Payment made during the year/total cash outflow for the leases	110.71	119.64
Closing Balance as on the end of the year	137.50	231.41

**(d) Lease Liabilities are presented in the Balance sheet are as follows:-**

Particulars	(INR in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
Current	108.53	94.06
Non-Current	28.97	137.35
<b>Total</b>	<b>137.50</b>	<b>231.41</b>

- (e) As at 31st March 2025 the Company has not committed to any leases which has not been yet commenced.
- (f) The Company has elected not to recognize a lease liability for short term leases of leases of low value assets. Expenses related to this leases are not included in the measurement of the lease liability. These lease includes lease for Coffee Machines, Employees lease rent.
- (g) Interest expenses in relation to leasing activities refer Note No.: 22.
- (h) Expenses related to the variable lease payments are nil.
- (i) Income from subleasing of the right of use assets is not applicable to the Company.
- (j) Gain/loss from sale and leaseback transactions is not applicable to the Company.

**38 Impairment of Assets**

In term of Ind AS 36 Company must conduct an impairment test whenever there are indicators that an asset may be impaired. At the Balance Sheet date there are no indication of impairment of assets and investment.

**39 Dividend paid by the Company for Equity Shares of ₹ 10/- each**

Particulars	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	Dividend per Equity Share	Dividend Amount	Dividend per Equity Share	Dividend Amount
	(In INR)	(In INR Lakhs)	(In INR)	(In INR Lakhs)
Interim Dividend	0.035	350.00	-	-
<b>Total Dividend</b>		<b>350.00</b>		<b>-</b>

**40 Corporate Social Responsibility**

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility ) Rules, 2014 read with various clarifications issued by MCA, the company has undertaken activities as per CSR policy.

Particulars	(INR in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
(i) Amount required to be spent by the company during the year	31.06	19.71
(ii) Amount spent during the year:	40.53	19.71
(a) Donation	-	-
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reasons for shortfall	-	-
(vi) Nature of CSR activities (To Indian Maritime University )	40.53	-
(vi) Details of related party transactions	-	-
(vii) Amount related to financial year	31.06	19.71
(viii) Amount to be carried forward to be set-off against next year expenditure	9.47	-

**41 Grant of Non Banking Finance Corporation (NBFC) Liscense and Change in Name of Company**

Reserve Bank of India on June 19,2025 permitted the company to commence and carry on the business of NBFC subject to certain conditions. The company is in process of fulfilling the conditions. Further vide Ministry of Corporate Affairs, confirmation dated June 05, 2025 name of the Company changed from Sagarmala Development Company Limited to Sagarmala Finance Corporation Limited.

**42 Central Nodal Agency (CNA) on behalf of Ministry of Ports, Shipping and Waterways**

The Company is acting as CNA on behalf of Ministry of Ports, Shipping and Waterways for implementing Central Sector Scheme. As a CNA , based on communication received from MoPSW , company is allocating / modifying limits of various Implementing Agencies under the Scheme. 'As per MoPSW letters dated 19.05.2022 and 22.06.2022, and Department of Expenditure Office Memorandum No. 1(18)/PFMS/FCD/2021 dated 09.03.2022, the following conditions and restrictions attached to the Central Nodal Account for the Central Sector Scheme.

- The Central Nodal Account shall be maintained as a Zero Balance Savings Account (ZBSA) with a Scheduled Commercial Bank, for Sagarmala, R&D (Ports sector) and R&D (Shipping Sector) Schemes in Canara Bank.
- SMFCL will keep all the funds received under Sagarmala Scheme, R&D (Ports sector) and R&D (Shipping Sector) Schemes in the Central Nodal Accounts only and shall not transfer the funds to any other account or not divert the same to Fixed Deposit, flex- account , Multi Option Deposit Account , Corporate Liquid Term Account etc. The funds released to CNA shall not be parked in bank account of any other agency.
- The CNAs (Central Nodal Agencies) shall ensure that the interest earned from the funds released is mandatorily remitted to the Consolidated Fund of India in terms of Rule 230(8) of GFR. 2017. The interest component shall be distinctly reflected in the MIS provided by the banks.
- Sagarmala Finance Corporation Limited, opened account as CNA Savings Account with Canara Bank in compliance with DOE OM dated 09.03.2022.

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

- 43 The Company is holding following CNA accounts on behalf of MoPSW and Interest earned in these accounts are remitted to consolidated fund of India as per the order of MoPSW and not recognized as Income of the Company.:

Bank Account Number	(INR in Lakhs)			
	Balance as at 31st March '25	Balance as at 31st March '24	Interest earned during FY 24-25	Interest earned during FY 23-24
110058011782	613.93	185.55	5.88	11.98
110054892407	107.46	13.23	1.68	1.62
110049661351	1421.75	6485.60	145.87	663.84

44 **Change in Accounting Estimate - Useful Life of Computer Servers**

During the year the Company has changed the accounting estimate without changing the policy related to "Property, plant and equipment" to the extent that the useful life of for one class of asset namely Computer Server from 3 years to 6 years. The impact on the profitability of the Company with regards to previous estimates and current estimates is given below:

(in INR Lakhs)		
Particulars	As per Revised Estimate	As per Existing Estimate
Revenue from Operations (I)	2,480.73	2,480.73
Other Income (II)	3,928.13	3,928.13
<b>Total Income (III = I + II)</b>	<b>6,408.86</b>	<b>6,408.86</b>
<b>EXPENSES:</b>		
Employee Benefits Expense	282.88	282.88
Finance Costs	16.80	16.80
Depreciation and Amortization Expense	110.87	111.86
CSR expenses	40.53	40.53
Other Expenses	507.23	507.23
<b>Total Expenses (IV)</b>	<b>958.31</b>	<b>959.30</b>
<b>Profit/(loss) before exceptional items and tax (V = III - IV)</b>	<b>5,450.55</b>	<b>5,449.56</b>
Exceptional Items (VI)	59.13	59.13
<b>Profit/(Loss) before tax (VII = V - VI)</b>	<b>5,509.69</b>	<b>5,508.70</b>
Impact on PBT due to change in accounting estimate [Increase/(Decrease)]	0.99	

45 **Other Disclosures**

- (i) The Company does not have any Benami property and further no proceeding has been initiated or pending against the company for holding any Benami property.  
(ii) The Company does not have any transactions with companies struck off.  
(iii) The Company does not have any charges or satisfaction which is to be registered with ROC.  
(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.  
(v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).  
(vi) The Company has no loans and advances which are either repayable on demand or are without specifying any terms or period of repayment.

(vii) Disclosure of Ratios as required under the Schedule- III:

Ratio	Numerator	Denominator	As at 31.03.2025	As at 31.03.2024	% Variance	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	162.41	108.66	49.47%	Change in ratio due to change in decrease in cash and cash equivalent and other financial asset
Debt-equity Ratio	Total Debt	Shareholder's Equity	Not Applicable	Not Applicable	-	-
Debt service coverage ratio	Earnings available for debt service	Debt Service	Not Applicable	Not Applicable	-	-
Return on equity ratio	Total Comprehensive Income	Average Shareholder's Equity	0.04	0.03	10.44%	ratio change due to increase in dividend income.
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	Not Applicable	Not Applicable	-	-
Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	Not Applicable	Not Applicable	-	-
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	Not Applicable	Not Applicable	-	-
Net capital turnover ratio	Net Sales	Working Capital	0.04	0.01	278.60%	ratio change due to increase in dividend income
Net profit ratio	Net Profit	Net Sales	1.66	5.47	-69.68%	ratio change due to increase in Revenue from Operations
Return on capital employed	Earning before interest and taxes	Capital Employed	0.05	0.03	62.41%	ratio change due to increase in revenue as compare to previous year

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Standalone Financial Statements for the year ended 31st March 2025**

Return on investment	Income from Investments	Investments	0.05	0.01	479.50%	ratio change due to increase in dividend income
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- 46 The Company has issued communication to various parties/vendors for their balance confirmation at the year end. However, confirmation has not been received only in some of the cases.
- 47 Amount in the financial statements are presented in ₹ Lakhs (upto two decimals) except for earning per share and as other-wise stated. Previous year figures have been regrouped , re-arranged, re-stated , re-classified wherever necessary.
- 48 The Company applied, FVTOCI in respect of its equity investment in Calcutta Haldia Port Road Company Limited w.e.f. F.Y 2020-21, however value of investment was not restated for FVTOCI for F.Y 2021-22 to 2023-24, which is treated as Prior period error and requires retrospective restatement . As per Para 44 of Ind AS 8 " When it is impracticable to determine the period-specific effects of an error on comparative information for one or more prior periods presented, the entity shall restate the opening balances of assets, liabilities and equity for the earliest period for which retrospective restatement is practicable (which may be the current period) ". Considering Para 44 of Ind AS 8, and to give effect of FVTOCI for FY 2021-22 to 2023-24 , company restated the financials for FY 2023-24 , the impact of same on financials for FY 2023-24 is as follows:

(in INR Lakhs)

Particulars	Revised Stated Amount	Earlier Stated Amount
Investment (Balance Sheet)	51,262.81	50,218.81
Other Equity (Balance Sheet)	2,916.00	3,960.00
Net gains/(losses) on fair value of equity in Instruments ( Statement of Profit & Loss)	1,044.00	-
Component of OCI	1,044.00	-

**Note 49 : Prior Period Adjustments/Correction of Errors/ Regrouping**

The impact of correction of Prior Period Error as per Note No.48 and regrouping on each item of Statement of Balance Sheet and Statement of Profit are as follow:

**i) Statement of Profit and Loss for the year ended 31st March 2024**

(₹ in Lakhs)

Sl. No.	Particulars	As previously Reported	Adjustment	As restated	Reasons
<b>1</b>	<b>Other Comprehensive Income</b>				
	(a) Net gains/(losses) on fair value of equity instruments	-	1,044.00	1,044.00	As stated in 48

**ii) Balance sheet for 31st March 2024**

(₹ in Lakhs)

Sl. No.	Particulars	Note No.	As previously Reported	Adjustment	As restated	Reasons
<b>1</b>	<b>Asset</b>					
	(a) Investments	5.1	50,218.81	1,044.00	51,262.81	As stated in Note No. 48
	<b>Total</b>		<b>50,218.81</b>	<b>1,044.00</b>	<b>51,262.81</b>	
<b>2</b>	<b>Equity &amp; Liabilities</b>					
	(a) Other Equity	12	2,217.15	1,044.00	3,261.15	As stated in Note No. 48
	(b) Trade Payable	15.2	-	118.97	118.97	To Fulfill requirement of Schedule III of Companies Act.
	(c )Other financial liabilities	15.3	145.44	(118.97)	26.47	To Fulfill requirement of Schedule III of Companies Act.
	<b>Total</b>		<b>2,362.59</b>	<b>1,044.00</b>	<b>3,406.59</b>	

As per our Report of even date attached

For P K Chopra & Co.  
Chartered Accountants  
FRN: 006747N

-sd-  
**Shambhu Kumar Thakur**  
Partner  
M No 537052

For and on behalf of Board of Directors of  
**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

-sd-  
**Maanas Srivastava**  
Company Secretary  
PAN: BFAPS1336B

-sd-  
**Ananga Charan Nayak**  
Director Finance & CFO  
DIN - 10057433

-sd-  
**Vikas Narwal**  
Managing Director  
DIN - 07884369

Date: 24.09.2025  
Place: New Delhi



# P K Chopra & Co.

—Chartered Accountants—

Flat No. 801, 8<sup>th</sup> Floor, Rohit House, 3 Tolstoy Marg  
New Delhi-110001 (INDIA)

T : +91 11 35007252

E : info@pkchopra.com  
W : www.pkchopra.com

## Independent Auditor's Report

**To the members of  
SAGARMALA FINANCE CORPORATION LIMITED  
(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of **Sagarmala Finance Corporation Limited (Formerly known as Sagarmala Development Company Limited)** (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), and its four associates which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2025, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of Material accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and consolidated financial statements and on the other financial information of the subsidiary and associates, the aforesaid Consolidated financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group and its associates as at March 31, 2025, of its consolidated profit and total comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act,





2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit matters**

Key Audit Matters Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Emphasis of Matter:**

#### **We draw attention to the following matters**

1. With reference to the **Note No. 51** to the accompanying Financials Statements wherein the Company is acting as CNA on behalf of Ministry of Ports, Shipping and Waterways for implementing Central Sector Scheme. As a CNA, based on communication received from MoPSW , company is allocating / modifying limits of various Implementing Agencies under the Scheme. As per MoPSW letters dated 19.05.2022 and 22.06.2022, and Department of Expenditure Office Memorandum No. 1(18)/PFMS/FCD/2021 dated 09.03.2022, the following conditions and restrictions attached to the Central Nodal Account for the Central Sector Scheme.
  - The Central Nodal Account shall be maintained as a Zero Balance Savings Account (ZBSA) with a Scheduled Commercial Bank, for Sagarmala, R&D (Ports sector) and R&D (Shipping Sector) Schemes is in Canara Bank.
  - SMFCL will keep all the funds received under Sagarmala Scheme, R&D (Ports sector) and R&D (Shipping Sector) Schemes in the Central Nodal Accounts only and shall not transfer the funds to any other account or not divert the same to Fixed Deposit, flex- account, Multi Option Deposit Account, Corporate Liquid Term Account etc. The funds released to CNA shall not be parked in bank account of any other agency.
  - The CNAs (Central Nodal Agencies) shall ensure that the interest earned from the funds released is mandatorily remitted to the Consolidated Fund of India in terms of Rule 230(8) of GFR. 2017. The interest component shall be distinctly reflected in the MIS provided by the banks.
  - Sagarmala Finance Corporation Limited, opened account as CNA Savings Account with Canara Bank in compliance with DOE OM dated 09.03.2022.

The Company is maintaining Bank accounts with Canara Bank as Central Nodal Agency (CNA) accounts on behalf of the MoPSW subject to above conditions and restrictions. These accounts and balances have not been included in the book of accounts and financials of the company as company is not having any control of these accounts and also Interest income generated from these funds are directly remitted to consolidated fund of India as per the instruction of MoPSW. The Company is acting as an agency only to disburse the Grant Fund on behalf of the MoPSW.

2. With reference to **Note 57** of the accompanying consolidated Financials Statements wherein the Company applied, FVTOCI in respect of its equity investment in Calcutta Haldia Port Road Company Limited since initial recognition, the Fair value of Investment has been determined on the basis of valuation report of the registered valuer dated 17<sup>th</sup>





July, 2025 for the year ended on 31<sup>st</sup> March, 2025. However, the registered valuer valuation report dated 29.06.2024 for the year ended 31<sup>st</sup> March, 2024 was not taken into accounts and financials for the year ended 31<sup>st</sup> March, 2024 value of investment was not fairly considered and presented in previous financial year, which is treated as Prior period error and requires retrospective restatement. As per Para 44 of Ind AS 8 " When it is impracticable to determine the period-specific effects of an error on comparative information for one or more prior periods presented, the entity shall restate the opening balances of assets, liabilities and equity for the earliest period for which retrospective restatement is practicable (which may be the current period) ". Considering Para 44 of Ind AS 8, and to give effect of FVTOCI for FY 2021-22 to 2023-24, the company has restated the value of Investment and other comprehensive Income in the financials for FY 2023-24.

3. With reference to the **Note No. 53** of the financial statements in respect of balance confirmation of various parties/vendors, amounts receivable from MoPSW on account of reimbursement of expenses have not been obtained. Balances of various parties in respect of receivable and payables are subject to reconciliation and their confirmations and respective consequential adjustment.
4. With reference to the **Note no. 50** of the accompanying financial statements in respect of the approval of Reserve Bank of India to commence with business of Type-II NBFC-ND. The company has obtained the certificate of registration (CoR) as NBFC-ND from Reserve Bank of India dated 19<sup>th</sup> June, 2025 as deemed approval of RBI for NBFC business activities subject to the condition that if the company fails to commence the business of NBFC within a period of six months from the date of issuance of CoR, the CoR will stand withdrawn automatically and the company will no longer be eligible to carry on NBFC activity without a fresh CoR from the Reserve Bank of India. The company is in process to fulfil the requirements and conditions as prescribed by RBI to commence the business as NBFC.

Our Opinion is not modified in respect of these matters.

#### **Information other than the Consolidated financial statements and auditors' report thereon**

The Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed and based on the work done/ audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates 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 Group or to cease operations, or has no realistic alternative but to do so.

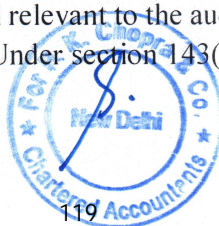
The respective Board of Directors of the companies included in the Group and of its associates and are responsible for overseeing the financial reporting process of the Group and of its associates.

## **Auditor's Responsibilities for the Audit of Consolidated Financial Statement**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Companies Act, 2013, we





are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 ability of the Group and its associates 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 consolidated 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 Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

### **Other Matters**

- (a) We did not audit the Ind As Consolidated financial statements / financial information of one subsidiary M/S India Ports Global Limited (IPGL) whose financial statements / financial information reflect the details given below of total assets as at 31<sup>st</sup> March, 2025, total revenues and net cash flows for the year ended on that date, as considered in the Consolidated Financial Statements:





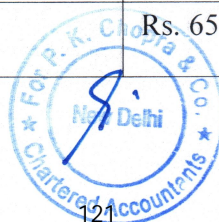
(Rs. in lakhs)

<b>Name of Entity</b>	<b>India Ports Global Limited (IPGL)</b>
Relation	Wholly Owned Subsidiary
Total Assets	Rs. 75,641.84
Total Revenues	Rs. 7,921.09
Net Cash Inflow/(Outflow)	Rs. 42,540.16

- (b) We did not audit the following Ind AS financial statements / financial information of 4 jointly controlled entities whose financial statements / financial information reflect the details given below of total assets as at 31<sup>st</sup> March, 2025, total revenues and net cash flows for the year ended on that date, as considered on the Consolidated Ind AS Financial Statements.

(Rs. in lakhs)

<b>Name of the Entity</b>	<b>Krishnapatnam Railway Company Limited (KPRCL)</b>
Relation	Associate
Total Assets	Rs. 2,57,389.76
Total Revenues	Rs. 52,797.78
Net Cash Inflow / (Outflow)	Rs. 11,361.00
Group's share of net profit / (loss)	Rs.1,413.71
<b>Name of Entity</b>	<b>Haridaspur Paradip Railway Company Limited (HPRCL)</b>
<b>Relation</b>	Associate
Total Assets	Rs. 2,55,178.71
Total Revenues	Rs. 57,448.30
Net Cash Inflow / (Outflow)	Rs. (2,449.43)
Group's share of net profit / (loss)	Rs.1,159.76
<b>Name of Entity</b>	<b>Vishakhapatnam Port Road Company Limited (VPRCL)</b>
Relation	Associate
Total Assets	Rs. 20,395.00
Total Revenues	Rs. 5,892.00
Net Cash Inflow / (Outflow)	Rs. 3,109.00
Group's share of net profit / (loss)	Rs. 658.17





<b>Name of Entity</b>	<b>Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited</b>
<b>Relation</b>	Associate
<b>Total Assets</b>	Rs. 58.30
<b>Total Revenues</b>	NIL
<b>Net Cash Inflow / (Outflow)</b>	Rs. 45.88
<b>Group's share of net profit / (loss)</b>	NIL

The financial statements / financial information of **Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited** are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associates, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the management, this financial statements / financial information are not material to the Group.

#### **Basis for Qualified Opinion in the concerned Associate's Independent Auditor's Report**

As reported by respective jointly controlled entities Statutory Auditors:

#### **1. Krishnapatnam Railway Company Limited (KPRCL)**

##### **Basis for Qualified Opinion**

(a) Monthly freight/revenue collection and apportionment sheet are being received from South Central Railway ("SCR"), which are marked as "provisional". Difference arises, if any, are being accounted for in the period of identification. Thus, the financial statements are drawn on the strength of such provisional revenue. Further, as stated in Note 19(i)(d), all supporting evidences related to revenue booking are being controlled and managed by the SCR. The same are not available with the company for verification, hence, the same could not be verified.

(b) Despite of contractual obligation in terms of the construction agreement with Rail Vikas Nigam Limited ("RVNL"), the company is neither paying nor providing towards departmental charges @ 5% of the project cost without obtaining any waiver or concession in the agreed terms of agreement. The company has estimated liability of Rs. 11453.05 lakhs being 5% of total project cost, which been considered as contingent liability (Refer Note-38e) in the financial statements. In view of no accounting treatment of the said departmental charges, Other Intangible Assets and Other Financial Liabilities are understated to that extent. Further, had it been capitalized, the corresponding impact on profit/loss of the year due to amortization cost of intangible assets, not considered. The impact on financial statement is not ascertained by the Company.





(c) (i) As per legal opinion obtained from Adv. Somnath Shukla by Company on charging of compound interest by Rail Vikas Nigam Limited ("RVNL"), it is opined that as per construction agreement there is no clause enabling RVNL to charge compound interest and interest referred in clause no. 11.5 of the contract is simple interest leviable on the amount of expenditure incurred by RVNL out of its own fund for execution of project. The total interest unpaid as on 30-09-2024 is Rs. 88,995.17 lakhs. From 01-10-2024 RVNL is charging interest on simple interest basis. No adjustment is made with regard to compound interest charged and accounted upto 30-09-2024 by the Company in its financial statements. The amount of compounding impact is not ascertained by the Company, hence the impact on financial statement cannot be ascertained.

(ii) As per clause no. 11.5 of construction agreement with RVNL interest to be charged ".... upto the date of actual payment is received from KRCL", however it is noticed that RVNL has excess charged interest amounting to Rs. 125.14 lakhs for the financial year 2024-25. Hence interest expense and amount payable to RVNL are overstated by Rs. 125.14 lakhs and profit for the year and reserve and surplus are understated by Rs. 125.14 lakhs.

(d) It is noticed that store items purchased are directly debited to repair & maintenance instead of when they are actually issued for repair nor the closing stock of stores existing as on 31.03.2025 is ascertained and accounted for as closing stock. Physical verification report of closing stock as on 31.03.2025 is not provided.

List of spares received from RVNL (contractor to the project), stock register maintained for these spares & physical verification report thereof is not provided.

The impact of the above could not be ascertained on the financial statements.

(e) Referring to the definition of normal transfer, expiry, book value as per para 1.1 and transfer payment on normal transfer as per para 8.1 of concession agreement dt. 23.11.2007, company is allowed a concession period of 30 years from appointed date (i.e. 23.11.2007), however it is noticed that the company has considered two phases, phase-I (15.11.2008 to 14.11.2038) and phase-II (03.07.2019 to 02.07.2049), for which it is explained that same is taken as per concession period defined in clause 1.1 of the concession agreement. In this regard it is required that a legal opinion may be obtained.

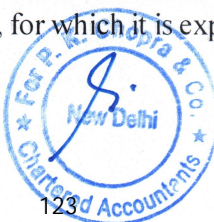
As per para 4.1 of schedule 1 to concession agreement dt. 23.11.2007, details of amount payable to South Central Railways ("SCR") as lease rent for existing assets is not ascertained and provided for in financial statements. In this regard it is explained that the amount is not provided by South Central Railways, Ministry of Railways therefore the same is not accounted for.

The company has not provided the calculation of NPV as per concession agreement to ascertain the concession period as per agreement dt. 23.11.2007.

Hence the impact if any thereof on the financial statement could not be ascertained.

(f) The Company is holding a provision for re-surfacing cost of Rs. 3847.03 lakhs as on the closing date, however the company has not ascertained the re-surfacing liability as on the close of financial year. In this regard it is informed that the company is evaluating the computation of re-surfacing cost required for the project and the same will be accounted after the evaluation. Hence the impact, if any, on financial statements could not be ascertained.

(g) The Company has not received any balance confirmation for the amount receivable from South Central Railways, a difference of Rs. 80.41 lakhs is noticed in the account of South Central Railways (Repair & Maintenance) account, for which it is explained that reconciliation of amount





is under process and necessary impact will be considered after reconciliation. Hence the impact, if any, on financial statements could not be ascertained.

### **Emphasis of Matters**

As per auditor's report of KPRCL (note no. referred herein are of the respective company's financial statements)

We draw attention to:

(i) Note 4.5 to the accompanying financial statements stating that Directional & General ("D&G") Charges are subject to change as per the agreement. Impact, if any, due to change in D&G charges will have corresponding impact on the value of capitalization of Intangible Assets and amortization thereupon.

(ii) Note 4.7 to the accompanying financial statements in relation to project cost, the cost is subject to change till the completion certificate issued by RVNL. Impact, if any, will have corresponding impact on the value of capitalization of Intangible Assets and amortization thereupon.

(iii) Note no 19 (i) (b) &(c) to the accompanying financial statements in relation to impact of anticipated earnings on account of (a) apportioned revenue for length of about 14.45 KM section from Krishnapatnam Railway Station and (b) payment of terminal costs for past periods. These issues are pending under arbitration and the revenue is subject to the outcome of arbitration proceedings.

(iv) Note 21(i) to the accompanying financial statements in relation to recognition of O&M expenses on the basis of provisional bills intimated by SCR.

(v) Note 38(c) to the accompanying financial statements in relation to ongoing arbitration proceedings between the company and Ministry of Railways.

(vi) Note 30(d) to the accompanying financial statements in relation to short term liquidity risk of paying the outstanding current liabilities within next twelve months.

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

## **2. Haridaspur Paradip Railway Company Limited (HPRCL)**

### **Emphasis of Matter (EOM)**

As per auditor's report of HPRCL (note no. referred herein are of the respective company's financial statements)

We draw attention to the following matters in the notes to the Financial Statements:

a) Note – 37(iii): An amount of INR 2,987.40 lakhs as on 31st March, 2025 (INR 2,986.45 Lakhs as on 31st March, 2024) towards interest and other charges claimed by M/s. RVNL is not acknowledged as debt by the company.

b) Note – 15.1 and 50: In terms of the Concession Agreement, the Company is to keep the project assets in working conditions including making replacements as per standards laid down by MoR of project assets whose life expires during the concession period. Accordingly, the Company is





required to recognize a provision for replacement obligations arising over the remaining concession period, in line with Ind AS 115, based on the best estimate of the expenditure needed to settle these obligations. The Company has incorporated a provision for resurfacing cost estimates of major assets scheduled for replacement during the Concession Period, applying it prospectively from FY 2024–25 onward, since estimates are available. Accordingly, during the current year the Company has made a provision of INR 2,633.11 lakhs (PY: Nil as the estimate was not available) in this respect. The Company has provided the estimate resurfacing obligations which could vary depending upon various factors including the effect of usage price, obsolescence, internal assessment of user experience, and other economic factors, and level of maintenance expenditure required to obtain the expected future cash flow from the assets etc.

Other auditor's opinion is not modified in respect of these matters.

#### **Other Matter**

##### **a) Woman Director:**

The second proviso of Section 149(1) of the Act provides that following class of companies must appoint at least one-Woman Director on its Board.

- Every listed Company.
- Every Other public company having paid up share capital of Rs. 100 crore or more.
- Turnover of INR 300 crore or more.

Upon meeting the aforementioned criteria, a company is required to appoint a Woman Director to its board within six months from the date of fulfillment of these conditions.

In this regard, it is reported that Smt. Gitanjali Mishra, Independent Director of the Company, ceased to be a Director with effect from 28th November 2023 upon completion of her tenure. The Board is yet to fill the vacancy of the Woman Director. Other auditor's opinion is not modified in respect of this matter.

### **3. VISHAKHAPATNAM PORT ROAD COMPANY LIMITED (VPRCL)**

#### **Emphasis of Matter**

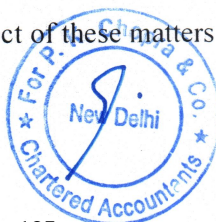
Attention is invited to the financial statement of Vishakhapatnam Port Road Company Limited in respect of the treatment of 50% of the additional fee (i.e., two times the applicable fee) collected from vehicles not fitted with FASTag should be deposited into the Consolidated Fund of India, which is reproduced as below:

"As per NHAI Circular No. NHAI/13013/547/C0/20-21/FASTag/65290 dated 08.03.2021, it was advised that 50% of the additional fee (i.e., two times the applicable fee) collected from vehicles not fitted with FASTag should be deposited into the Consolidated Fund of India.

Subsequently, during the year, the holding company, NHLML, sought clarification from the Ministry of Road Transport and Highways (MoRTH) through its letter dated 25.01.2025. The clarification pertained to whether this 50% of the additional fee collected from non-FASTag vehicles-including collections by SPVs-should be treated as revenue or remitted to the Consolidated Fund of India.

Pending clarification, beginning this financial year, the said collections have been recorded as a liability rather than as revenue in the financial statement"

Other auditors report is not modified in respect of these matters





#### 4. **Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited:**

The financial statements of **Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited**, an associate of the Company, for the year ended March, 2025 have not been audited. The Company has accounted for its share of profit/loss in the associate based on unaudited financial information.

5. The comparative financial information of the accompanying consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2024 prepared in accordance with Ind AS included in the standalone financial statements has been audited by the predecessor auditor except to the extent of restatement of amounts. The report of the predecessor auditor on such comparative financial information dated 28<sup>th</sup> October, 2024 expressed an unmodified opinion

These financial statements/financial information of subsidiary and associate companies have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of Group's share of net profit/loss (including Other Comprehensive Income) and our report in terms of sub-section (3) of Section 143 of the Act, is based solely on the reports of the other auditors. In our opinion and according to the information and explanations given to us by the Holding Company's Management, the group's share of net profit/loss included in the Consolidated Financial Statements are material to the group.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements / financial information certified by the Management.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act based on our audit and on the consideration of audited financial statements by the other auditors and certified by the management of subsidiary, jointly controlled entities as referred in "Other Matters" paragraph, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that based on our examination which included test checks, the Company has used accounting software i.e. tally for maintaining its books of account, which have a feature of recording audit trail (edit log) facility, however the feature has been operated from October, 2024 onwards for all relevant transactions recorded in the respective software.

Proper books of account as required by law relating to Subsidiary and associates in preparation of the aforesaid consolidated financial statements have been kept.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.





- d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India;
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of Section 197(16) of the Act is not applicable on the Company.
- 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 Auditor's) Rules, 2014 and the Companies (Audit and Auditors) Amendment Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:
- I. There pending litigations of following associates has disclosed the impact of pending litigation on its financial position in its financial statements, which would impact the consolidated financial position of the Group and its associates.

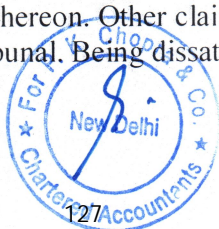
### **1. Krishnapatnam Railway Company Limited (KPRCL)**

#### **Contingent Liability**

a) Department has raised demand in respect of alleged offence of evasion of Service Tax amounting to ₹757.53 Lakhs (as at 31st March 2024 ₹757.53 Lakhs) and ₹285.98 Lakhs (as at 31st March 2024 ₹285.98 Lakhs) for financial year 2014-15 and 2015-16 respectively. Also department has raised demand of ₹294.95 Lakhs for the F.Y. 2016-17 and 2017-18 (upto June'17), However Company has not accepted the liability and has submitted its reply to department. Since the Company had earlier received favourable ruling from CESTAT, it is confident that no additional liability will devolve on it. Further for the period F.Y. 2011-12 to F.Y. 2013-14, KRCL has received favourable order from CESTAT for demand of ₹1,341.80 Lakhs (as at 31st March 2024 ₹1,341.80 Lakhs). In case of similar companies on same matter department has moved to Hon'ble Supreme court in this case.

b) Income Tax department has raised demand of ₹271.88 Lakhs (as at 31st March 2024 ₹271.88 Lakhs) for AY 2011-12, the matter is pending before commissioner of income tax appeal. Therefore liability for the case has not been recorded in the books of accounts.

c) The Arbitral Tribunal delivered Award on July 16, 2024 in favour of KRCL, in respect of its Terminal Cost claim including interest thereon. Other claims of KRCL as well as all the counter claims of MoR were rejected by the Tribunal. Being dissatisfied with the Award, both the parties





filed appeals towards the rejected items under Section 34 of the Arbitration & Conciliation Act, 1996. The amount of KRCL's total Claim was ₹3,18,476.41 lakhs including interest, and total Counter claim of MoR was ₹5,55,653.69 Lakhs including interest. Consequently, Arbitration appeal proceedings between KRCL and MoR are underway in the Hon'ble District Civil Court (for Commercial dispute) at Hyderabad.

d) During the previous years, company has received certain bills under protest from contractor pertaining to phase 1 on which a future liability may arise. Financial impact of the same is not ascertainable at present.

e) Contingent liability in respect of departmental charges not claimed by RVNL @ 5% of project cost is estimated at ₹11,453.05 Lakhs (as at 31st March 2024 ₹11,449.14 Lakhs).

## 2. Haridaspur Paradip Railway Company Limited (HPRCL)

### Contingent Liabilities (Claims not acknowledged as debts by the company)

(i) **Land:** Landowners (from whom land was acquired) have filed various cases from time to time for enhanced compensation. The amount of claims pending as at year-end is not quantifiable.

### (ii) Income Tax:

(₹ in Lakhs)

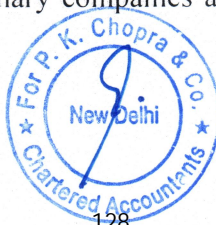
Period	Amount (in Lakhs)	Forum Pending	Status
A.Y. 2013-14	41.00 (41.00)	Principal Commissioner of Income Tax	Matter is pending with PCIT.
A.Y. 2014-15	146.73 (158.35)	Commissioner of Income Tax (Appeals) - Faceless	Appeal has been filed against Assessing Officer's order passed after the matter was referred by ITAT to AO.
A.Y. 2017-18	98.50 (78.09)	Accessing Officer Faceless Assessment	Matter is pending before AO - Faceless Assessment.

The above figures exclude the interest and penalty.  
(Figures in brackets denote previous year figures.)

### (iii) Claim of M/s RVNL:

A sum of ₹2987.40 lakhs (₹2986.45 Lakhs upto 31st March 2024) towards interest and other charges demanded by M/s RVNL is not acknowledged as debt by the Company.

- II. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
- III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and associate companies incorporated in India.





- IV. Based on the representations received from Management of the Holding Company whose financial statements have been audited under the Act, have represent that, to the best of our knowledge and belief , no funds have been advanced/received or loaned or invested by the group companies, its associate companies and jointly controlled companies with the understanding that the intermediary shall lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiary.
- V. During the financial year, the group Company, its associate companies and jointly controlled companies has declared and paid a dividend in compliance with the provisions of Section 123 of the Companies Act, 2013.
- VI. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable.

Based on our examination which included test checks, the company has used the accounting software i.e. tally for maintaining its books of account, which have a feature of recording audit trail (edit log) facility, however the feature has been operated from October, 2024 onwards for all relevant transactions recorded in the respective software.

India Ports Global Limited, Krishnapatnam Railway Company Limited, Haridaspur Paradip Railway Company Limited and Haldia Port Road Company Limited has used the accounting software i.e., tally for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the respective software.

3. With respect to the matter of paras 3(xxi) and 4 of the Companies (Auditor's Report) Order 2020, the subsidiary and three associates have been audited by Other Auditors as mentioned in the section titled "Other Matters" and CARO report has been issued by the Auditors of such entities as on the date of issue of this report. Based on the CARO report issued by the other auditors for such entities for the year ended 31<sup>st</sup> March 2025, we report that there are following adverse remarks in the CARO report in case of following :

**1. Vishakhapatnam Port Road Company Limited:**

- The company has not maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment;
- The Property, Plant and Equipment have not been physically verified by the management;
- The unspent amounts for Financial Year 2024-25 towards Corporate Social Responsibility (CSR) relating to projects other .than ongoing projects is not transferred to a Fund specified in Schedule VII to the Companies Act 2013, as the six-month period has not expired till the date of signing of this Audit Report. However, the company has not transferred the unspent amount related to the Financial Years from 2018-19 till 2023-24 to the fund specified in Schedule VII to the Companies Act, which resulted in non-compliance with the Provision under-Section 135 of the Companies Act 2013.





## 2. Krishnapatnam Railway Company Limited (KPRCL)

Details of statutory dues referred to in sub-clause (a) of vii, which have not been deposited as on 31 March 2025 on account of disputes are given below:

Name of the Statute	Nature of the dues	Amount (₹ in lacs)	Period to which it pertains	Forum at which case is pending
Finance Act, 1994	Service Tax	757.53	FY 2014-15	Principal Commissioner of Central Goods & Service Tax, Delhi-South
		285.98	FY 2015-16	
		294.95	FY 2016-17 & FY 2017-18 (Upto June 2017)	
Income-tax Act, 1961	Income-tax	271.88	AY 2011-12	CIT (Appeals)

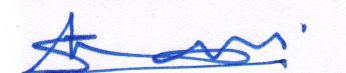
## 3. Haridaspur Paradip Railway Company Limited (HPRCL)

According to the information and explanations given to us, the disputed statutory dues that have not been deposited on account of disputes pending before authorities are as under:

Name of Statute	Nature of the Dues	Amount (INR in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	41.00	AY 2013-14	Principal Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	146.73	AY 2014-15	Commissioner of Income Tax (Appeals) - Faceless
Income Tax Act, 1961	Income Tax	98.50	AY 2017-18	Assessing Officer, Faceless Assessment

Our audit opinion, in respect of other auditor's remarks/ opinion with respect to the matter of paras 3(xxi) and 4 of the Companies (Auditor's Report) Order 2020 of the respective associates companies audit report, is not modified.

For P K Chopra & Co.  
Chartered Accountants  
FRN: 006747N

  
Shambhu Kumar Thakur  
Partner

M. No: 537052

Date: 24 SEP 2025

Place: New Delhi

UDIN: 25537052BMLC7E2483





**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED INDAS FINANCIAL STATEMENTS OF SAGARMALA FINANCE CORPORATION LIMITED (FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED).**

**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 **Sagarmala Finance Corporation Limited (Formerly known as Sagarmala Development Company Limited)** ("the Company") as of March 31, 2025 in conjunction with our audit of the consolidated financial statements of the Company, its subsidiary company and its associates which are companies incorporated in India, as of that date, for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent, its subsidiary company and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 respective 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 Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary company and its associates which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.





We believe that the audit evidence we have obtained and the audit evidence obtained by auditors of the subsidiary company and associates which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary company and associates which are companies incorporated in India.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting**

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

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary company and its associates which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

#### **1. Vishakhapatnam Port Road Company Limited:**

As referred to in the respective other auditor's report on Internal Financial control over financial reporting.





### ***Disclaimer of Opinion***

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2025.

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

## **2. Krishnapatnam Railway Company Limited (KPRCL)**

As referred to in the respective other auditor's report on Internal Financial control over financial reporting

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31 March 2025:

a) The company has not provided any purchase policy, work policy, HR policy, accounting manual and other related guidelines, for proper internal controls it is required that appropriate policy and guidelines be made in this regard.

b) It is suggested that considering the observations made in audit report, the scope of internal auditor be reviewed and extended accordingly.

c) It is noticed that store items purchased are directly debited to repair & maintenance instead of when they are actually issued for repair nor the closing stock of stores existing as on 31.03.2025 is ascertained and accounted for as closing stock. Physical verification report of closing stock as on 31.03.2025 is not provided.

List of spares received from RVNL (contractor to the project), stock register maintained for these spares & physical verification report thereof is not provided.

d) As per the concession agreement dt. 23.11.2007 on expiry the company will handover the existing assets, new assets and additional assets to Ministry of Railways, for proper control thereof it is required a detailed list of these assets be prepared and periodically physically verified by management and/or external agency.

e) All supporting evidences related to revenue booking and O&M charges are being controlled & managed by the SCR only. Working Sheets and collateral records neither supplied by the SCR nor maintained by the company. As a result, there is no basis to verify the same.

f) As informed to us, there is no methodology on the part of management to ensure the up to date accounting of expenditure on construction projects, including bills which are already incurred but not billed to the company and also which are awaited dispatch by the contractors for the construction.

g) It is noticed that certain transactions are not processed through accounting software or any other integrated software as detailed in point no. 2 to audit report referred in Annexure-C above. The said transactions should be routed through accounting software or some other integrated software.





*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.*

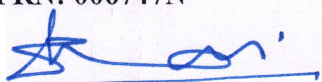
In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the company has developed some internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2025, however, there is an urgent need for updating and development of comprehensive Internal Financial Control Manual based on the internal control over financial reporting criteria 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 and devising of process for periodic verification of various modules of the referred manual.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the company, and these material weaknesses do not affect our opinion on the financial statements of the company.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph above, the Parent, its subsidiary company and associates which are companies incorporated in India., have in all material respects, except to the extent of qualifications and disclaimer in other auditors report, have an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31 2025, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P K Chopra & Co.**  
**Chartered Accountants**  
**FRN: 006747N**

  
**Shambhu Kumar Thakur**  
**Partner**

**M. No: 537052**

**Date: 24 SEP 2025**

**Place: New Delhi**

**UDIN: 25537052BNLCXE2483**





**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**CONSOLIDATED BALANCE SHEET**  
**As at 31st March 2025**

(INR in Lakhs)

Particulars	Note No.	As at 31st March 2025	As at 31st March 2024 Restated*
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3	10,679.35	13,070.57
(b) Capital Work in Progress	4	-	0.25
(c) Other Intangible assets	5	5.46	5.09
(d) Investment Accounted for using Equity method	6	57,195.56	53,959.03
(e) Financial Assets			
(i) Investments	6.1	1,850.00	2,084.00
(ii) Other Financial Assets	6.2	761.93	21,536.67
(f) Deferred tax assets (net)	7	173.24	26.20
(g) Other non-current assets	8	70.67	99.21
		<b>70,736.21</b>	<b>90,781.02</b>
<b>(2) Current assets</b>			
(a) Inventories	9	769.71	14.42
(b) Financial Assets	10		
(i) Trade Receivables	10.1	724.62	292.26
(ii) Cash and cash equivalents	10.2	55,128.15	12,512.38
(iii) Bank balances other than (ii) above	10.3	61,403.20	39,780.42
(iv) Other financial assets	10.4	1,812.39	2,209.46
(c) Current Tax Assets (Net)	11	30.17	146.59
(d) Other current assets	12	220.95	41.19
		<b>120,089.19</b>	<b>54,996.72</b>
<b>Total Assets</b>		<b>190,825.40</b>	<b>145,777.74</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	13	100,000.00	100,000.00
(b) Other Equity	14	18,819.27	11,257.26
		<b>118,819.27</b>	<b>111,257.26</b>
<b>LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities	15		
(i) Lease liabilities	15.1	28.97	137.35
(b) Provisions	16	65.57	47.70
(c) Other non-current liabilities	17	67,365.65	29,859.65
		<b>67,460.19</b>	<b>30,044.70</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities	18		
(i) Lease Liabilities	18.1	451.02	94.06
(ii) Trade payables	18.2		
a. Total outstanding dues of micro enterprises and small enterprises		31.41	11.06
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		394.80	575.55
(iii) Other financial liabilities	18.3	1,654.96	843.04
(b) Other current liabilities	19	1,949.59	2,896.33
(c) Provisions	20	64.16	55.74
		<b>4,545.94</b>	<b>4,475.78</b>
<b>Total Equity and Liabilities</b>		<b>190,825.40</b>	<b>145,777.74</b>

\* Restated Refer Note No.58

The accompanying notes are integral part of financial statements.

1 to 60

As per our Report of even date attached

For P K Chopra & Co.  
Chartered Accountants  
FRN: 006747N

-sd-  
Shambhu Kumar Thakur  
Partner  
M.No: 537052

For and on behalf of Board of Directors of  
SAGARMALA FINANCE CORPORATION LIMITED (FORMERLY  
KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)

-sd-

Maanas Srivastava  
Company Secretary  
PAN: BFAPS1336B

-sd-

Ananga Charan Nayak  
Director Finance & CFO  
DIN - 10057433

-sd-

Vikas Narwal  
Managing Director  
DIN - 07884369

Date: 24.09.2025  
Place: New Delhi

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**  
**For the Year ended 31st March 2025**

(INR in Lakhs Except EPS)

Particulars		Note No.	For the Year ended 31st March 2025	For the Year ended 31st March 2024 Restated*
I.	Revenue From Operations	21	3,764.62	2,641.86
II.	Other Income	22	8,084.61	6,992.50
III.	<b>Total Income (I + II)</b>		<b>11,849.23</b>	<b>9,634.36</b>
IV.	<b>EXPENSES:</b>			
	Purchases	23	763.45	-
	Change in Inventories	24	(755.31)	-
	Direct Expense	25	1,253.48	886.33
	Employee benefits expense	26	605.41	401.08
	Finance costs	27	16.80	21.79
	Depreciation and amortization expense	28	2,439.40	2,943.17
	Other expenses	29	2,274.19	913.24
	<b>Total expenses (IV)</b>		<b>6,597.42</b>	<b>5,165.60</b>
V.	<b>Profit/(loss) before exceptional items and tax (III - IV)</b>		5,251.81	4,468.75
VI.	Exceptional Items	30	59.13	-
VII.	<b>Profit/(Loss) before tax (V - VI)</b>		<b>5,310.94</b>	<b>4,468.75</b>
VIII.	Tax expense:			
	(1) Current tax	31		
	- For the year		1,482.98	842.36
	- For earlier years (net)		0.72	58.54
	(2) Deferred tax (net)		(146.81)	(7.84)
	Total Tax Expense (VIII)		<b>1,336.89</b>	<b>893.06</b>
IX.	<b>Profit/(loss) for the period from continuing operation before share of net income of investments accounted for using equity method and tax (VII - VIII)</b>		<b>3,974.05</b>	<b>3,575.70</b>
	Add: Share of net income of joint venture accounted for using Equity method		5,712.36	5,315.93
X.	<b>Profit/(loss) for the period from continuing operations (VII - VIII)</b>		<b>9,686.41</b>	<b>8,891.63</b>
XI.	Profit/(loss) from discontinued operations		-	-
XII.	Tax Expense of discontinued operations		-	-
XIII.	Profit/(loss) from discontinued operations (after tax) (X-XI)		-	-
XIV.	<b>Profit/(loss) for the period (IX+XII)</b>		<b>9,686.41</b>	<b>8,891.63</b>
XV.	<b>Other Comprehensive Income</b>			
	A. Items that will not be reclassified to profit or loss	32		
	- Net gains/(losses) on fair value of equity instruments		(234.00)	1,044.00
	- Net actuarial gains/(losses) on defined benefit plans		(0.99)	-
	Income tax relating to items that will not be reclassified to profit or loss		0.25	-
	B. (i) Items that will be reclassified to profit or loss		(34.95)	29.82
			<b>(269.69)</b>	<b>1,073.82</b>
XVI.	<b>Total Comprehensive Income for the period (XIII +XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)</b>		<b>9,416.72</b>	<b>9,965.45</b>
	Earnings per equity share:			
	(for continuing operation)			
	(1) Basic (Face Value Rs. 10 Per share)	33	0.97	0.89
	(2) Diluted (Face Value Rs. 10 Per share)	33	0.97	0.89
XVII.	Earnings per equity share:			
	(for discontinued operation)			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII.	Earnings per equity share:			
	(for discontinued and continuing Operations)			
	(1) Basic (Face Value Rs. 10 Per share)	33	0.97	0.89

\* Restated Refer Note No.58

The accompanying notes are integral part of financial statements.

1 to 60

As per our Report of even date attached

For P K Chopra & Co.  
Chartered Accountants  
FRN: 006747N

**-sd-**  
Shambhu Kumar Thakur  
Partner  
M.No: 537052

Date: 24.09.2025  
Place: New Delhi

For and on behalf of Board of Directors of  
SAGARMALA FINANCE CORPORATION LIMITED  
(FORMERLY KNOWN AS SAGARMALA  
DEVELOPMENT COMPANY LIMITED)

**-sd-**  
Maanas Srivastava  
Company Secretary  
PAN: BFAPS1336B

**-sd-**  
Ananga Charan Nayak  
Director Finance & CFO  
DIN - 10057433

**-sd-**  
Vikas Narwal  
Managing Director  
DIN - 07884369



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Consolidated Statement of Cash Flow for the period ended 31st March 2025**

(INR in Lakhs)

	Particulars	Note No.	For the year ended 31st March 2025	For the year ended 31st March 2024 Restated*
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
	Net Profit before taxation		5,310.94	4,468.75
	Adjustment for :			
	Depreciation and amortization		2,439.40	2,943.17
	Interest Income		(4,096.43)	(3,862.01)
	Deferred income equal to depreciation on MHCs		(2,317.84)	(2,830.08)
	Deferred Tax Asset		140.48	-
	Provision for Taxation		(80.00)	-
	FCTR Impact		-	29.82
	Share Issue Expenses		-	(14.34)
	Interest expense on security deposit		-	1.56
	Interest income on security deposits		(5.53)	(5.78)
	Unwinding of interest income on security deposit			(1.15)
	Interest on lease liability		16.80	17.92
	Amortisation of Prepaid Rent		5.64	3.94
	<b>Operating Profit before changes in Operating Assets and Liabilities</b>	<b>1</b>	<b>1,413.46</b>	<b>751.79</b>
	Adjustment for :			
	Decrease / (Increase) in Trade Receivables		(432.36)	98.68
	Decrease / (Increase) in Other current financial assets		274.38	(979.28)
	Decrease / (Increase) in Other non-current financial assets		15,302.54	(15,300.09)
	Decrease / (Increase) in Non Current Assets		28.54	(97.33)
	Decrease / (Increase) in Inventories		(755.32)	(14.42)
	Decrease / (Increase) in Other current Assets		(185.41)	(33.62)
	(Decrease) / Increase in Non current Liability		-	-
	(Decrease) / Increase in Trade Payable		182.09	1,003.07
	(Decrease) / Increase in Other current financial Liability		(3,729.33)	6,542.20
	(Decrease) / Increase in Other current liabilities		(946.72)	(2,870.71)
	(Decrease) / Increase in Non-Current Provisions		18.69	26.05
	(Decrease) / Increase in Current Provisions		7.60	(31.38)
	<b>Net Cash Inflow / (Outflow) from Operations Before Tax</b>	<b>2</b>	<b>9,764.70</b>	<b>(11,656.82)</b>
	Income Tax Paid (Net of Refunds)	<b>(1+2)</b>	<b>11,178.16</b>	<b>(10,905.03)</b>
			(1,370.77)	(993.97)
	<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(A)</b>	<b>9,807.39</b>	<b>(11,899.00)</b>
	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Interest Received on FDRs and security deposits		4,219.12	3,614.34
	Maturity of Fixed deposit		5,477.69	-
	Investment in fixed deposits (Net)		(2,140.80)	-
	Decrease / (Increase) in Bank Balance other than those taken to Cash and Cash Equivalent		(14,940.77)	(7,244.70)
	Dividend received from Associate Company		2,480.73	430.00
	Investment in equity shares		(4.90)	-
	Purchase of intangible		(1.46)	-
	(Purchase) / Sale of Assets (Net)		(46.85)	(34.23)
	<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(B)</b>	<b>(4,957.24)</b>	<b>(3,234.59)</b>
	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	Proceeds from Share application money/ Share issue		-	9,000.00
	Receipt of Government Grant (for IPGCFZ)		40,000.00	10,000.00
	Receipt of Fund from Holding		457.00	-
	Interest on lease liability		(16.80)	(17.92)
	Adjustment to Deferred Grant		(1,492.21)	-
	Interim Dividend distributed		(350.00)	-
	Lease Payment		(93.84)	(101.72)
	Adjustment Reclassification from current liability to non-current liability		931.77	-
	Utilization of Government Grant (for IPGCFZ)		(1,670.29)	(289.70)
	<b>Net Cash Inflow / (Outflow) from financing Activities</b>	<b>(C)</b>	<b>37,765.64</b>	<b>18,590.66</b>
	<b>NET INCREASE/ (DECREASE) IN CASH &amp; CASH EQUIVALENT</b>	<b>(A+B+C)</b>	<b>42,615.78</b>	<b>3,457.05</b>

<b>CASH AND CASH EQUIVALENT (OPENING)</b>	<b>(D)</b>	<b>12,512.38</b>	<b>9,055.37</b>
Cash		0.20	0.64
On Current Accounts		2,359.32	6,168.66
On Flexi Accounts		79.16	226.05
Deposits with original maturity of less than three months		10,073.70	2,660.03
<b>CASH AND CASH EQUIVALENT (CLOSING)</b>	<b>(E)</b>	<b>55,128.15</b>	<b>12,512.40</b>
Cash		0.70	0.20
On Current Accounts		47,981.08	2,359.34
On Flexi Accounts		11.02	79.16
Deposits with original maturity of less than three months		7,076.95	10,073.70
MM Branch Cash & Bank Balance control A/c		58.40	
<b>NET INCREASE/ (DECREASE) IN CASH &amp; CASH EQUIVALENT</b>	<b>(E-D)</b>	<b>42,615.78</b>	<b>3,457.05</b>

\* Restated Refer Note No.58

- (i) The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS-7 on Cash Flow Statement notified by the Ministry of Corporate Affairs, Government of India under the Companies Act, 2013.
- (ii) The Group adopted the amendment to Ind-AS 7 effective from April 1, 2017, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, 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.

(iii) **Reconciliation of Liabilities arising from financing activities**

Particulars	Lease Liabilities	Share Capital
<b>Balance at 1st April, 2024</b>	231.41	100,000.00
<b>Cash flows:-</b>		
-Repayment	110.71	-
-Proceeds	-	-
<b>Non-Cash:-</b>		
- Fair Value	16.80	-
-Conversion of Share Application Money to Share Capital	-	-
<b>Balance at 31st March, 2025</b>	<b>137.50</b>	<b>100,000.00</b>

Particulars	Lease Liabilities	Share Capital
<b>Balance at 1st April, 2023</b>	37.08	91,000.00
<b>Cash flows:-</b>		
-Repayment	119.64	-
-Proceeds	296.05	9,000.00
<b>Non-Cash:-</b>		
- Fair Value	17.92	-
-Conversion of Share Application Money to Share Capital	-	-
<b>Balance at 31st March, 2024</b>	<b>231.41</b>	<b>100,000.00</b>

- (iv) Previous year's figures are reclassified/regrouped to confirm and make them comparable with those of the current year.

**The accompanying notes are integral part of financial statements.**

As per our Report of even date attached

**For P K Chopra & Co.**  
Chartered Accountants  
FRN: 006747N

**For and on behalf of Board of Directors of**  
**SAGARMALA FINANCE CORPORATION LIMITED (FORMERLY**  
**KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

**-sd-**  
**Shambhu Kumar Thakur**  
Partner  
M.No: 537052

**-sd-**  
**Maanas Srivastava**  
Company Secretary  
PAN: BFAPS1336B

**Date: 24.09.2025**  
**Place: New Delhi**

**-sd-**  
**Ananga Charan Nayak**  
Director Finance & CFO  
DIN - 10057433

**-sd-**  
**Vikas Narwal**  
Managing Director  
DIN - 07884369

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Consolidated Statement of Changes in Equity for the Year ended 31st March 2025**

As at 31st March, 2025

Equity Share Capital

(INR in Lakhs)

Particulars	Balance as at 1st April 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at the 1st April, 2024	Changes in equity share capital during the current year	Balance as at 31st March, 2025
No. of Shares	10,000.00	-	10,000.00	-	10,000.00
Amount	100,000.00	-	100,000.00	-	100,000.00

Other Equity

(INR in Lakhs)

Particulars	Share Application Money Pending Allotment	Reserves & Surplus				Equity Instruments through OCI	Total
		FCTR	Legal Reserve	Remeasurement of net defined benefit plans	Retained Earnings		
Balance as at 1st April, 2024				-	14,173.26	(2,916.00)	11,257.26
Adjustment of Dividend as per Audit Para -A of CAG Report				-	-	-	-
Profit for the year				-	9,686.41		9,686.41
Net gains/(losses) on fair value of equity instruments						(234.00)	(234.00)
Income tax relating to items that will not be reclassified to profit or loss					0.25		0.25
Net actuarial gains/(losses) on defined benefit plans					(0.99)		(0.99)
Dividends				-	(350.00)		(350.00)
Transfer to Retained Earnings (Share issue expenditure)				-	-		-
Addition during the year	-			-	-		-
Utilized during the year				-			-
Transfer to Equity Share Capital							-
FCTR		(1,538.94)			-		(1,538.94)
Remeasurements of Defined Benefit Plan				(2.28)			(2.28)
Legal Reserve			1.56	-			1.56
Other Changes					-	-	-
Balance as at 31st March, 2025	-	(1,538.94)	1.56	(2.28)	23,508.93	(3,150.00)	18,819.27



As at 31st March, 2024

Equity Share Capital

(INR in Lakhs)

Particulars	Balance as at 1st April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the 1st April, 2023	Changes in equity share capital during the current year	Balance as at 31st March, 2024
No. of Shares	8,565.70	-	8,565.70	1,434.30	10,000.00
Amount	85,657.00	-	85,657.00	14,343.00	100,000.00

Other Equity Restated\*

(INR in Lakhs)

Particulars	Share Application Money Pending Allotment	Reserves & Surplus				Equity Instruments through OCI	Total
		FCTR	Legal Reserve	Remeasurement of net defined benefit plans	Retained Earnings		
Balance as at 1st April, 2023	5,343.00			-	5,266.16	(3,960.00)	6,649.16
Adjustment of Dividend as per Audit Para -A of CAG Report	-			-	-	-	-
Profit for the year	-			-	8,891.63	-	8,891.63
Net gains/(losses) on fair value of equity instruments						1,044.00	1,044.00
Income tax relating to items that will not be reclassified to profit or loss						-	-
OCI (Net of Tax)	-			-	-		-
Dividends	-			-	-	-	-
Transfer to Deferred Income				-			-
Transfer to Retained Earnings (Share issue expenditure)	-			-	(14.34)	-	(14.34)
Addition during the year	9,000.00			-		-	9,000.00
Utilized during the year				-			-
Transfer to Equity Share Capital	(14,343.00)						(14,343.00)
FCTR		29.82					29.82
Remeasurements of Defined Benefit Plan				(1.69)			(1.69)
Legal Reserve			1.56	-			1.56
Other Changes					0.13		0.13
Balance as at 31st March, 2024	-	29.82	1.56	(1.69)	14,143.57	(2,916.00)	11,257.26

\* Restated Refer Note No.58

The accompanying notes are integral part of financial statements.

As per our Report of even date attached

For P K Chopra & Co.

Chartered Accountants

FRN: 006747N

For and on behalf of Board of Directors of  
SAGARMALA FINANCE CORPORATION LIMITED (FORMERLY  
KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)

-sd-

Shambhu Kumar Thakur

Partner

M.No: 537052

-sd-

Maanas Srivastava

Company Secretary

PAN: BFAPS1336B

-sd-

Ananga Charan Nayak

Director Finance & CFO

DIN - 10057433

-sd-

Vikas Narwal

Managing Director

DIN - 07884369

Date: 24.09.2025

Place: New Delhi

## SAGARMALA FINANCE CORPORATION LIMITED

(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)

Notes to the Consolidated Financial Statements for the year ended 31st March 2025

### COMPANY INFORMATIONS & MATERIAL ACCOUNTING POLICY INFORMATION

#### I Group Information

##### (a) Holding Company

SAGARMALA FINANCE CORPORATION LIMITED (Formerly Known as Sagarmala Development Company Limited) ("the Company") is a public limited company domiciled in India having registered office 124, 1st Floor, Thapar House, Gate No.2, 124, Janpath, New Delhi – 110001 Central Delhi.

Under the Sagarmala programme, Ministry of Shipping, Government of India, had identified projects for equity participation by the company. Since these projects were undertaken before the incorporation of the company, equity participation was undertaken through respective Ports acting as assignees on behalf of the company. Proportionate shares held by the assignees are to be transferred to the company in due course.

The Company was incorporated in India under the provisions of Companies Act, 2013 on 31st August 2016 with the underlying objective of promoting port-led development. The Company strives to reduce logistics costs for both domestic and EXIM cargo. It intends to create, among others, ports, port-connectivity, and transshipment hub of international standards to generate economic activity all along the Indian coastline, with the participation of coastal communities. It also assists the state level/zone level special purpose vehicles (SPVs) and SPVs to be set up by the ports, with equity support for implementation of the projects that they will undertake.

The Name of the Company has been changed from Sagarmala Development Company Limited to **Sagarmala Finance Corporation Limited** with the approval of Ministry of Corporate Affairs dated 05th June, 2025 and clause III A of the MOA has been amended to include the business to finance all activities and initiatives relating to maritime sector to take on the business of Non- Banking Finance Company. The Company has obtained the Certificate of Registration No.N.14.03652 dated 19th June, 2025 as Type-II Non Deposit taking NBFC from the Reserve Bank of India u/s-45-IA (5) of the Reserve Bank of India Act, 1934 to commence and carry on the business of NBFC-ND. The company is in the process to fulfill the requirement of the Reserve Bank of India order/permission to commence the business of Non- Banking Finance Company (NBFC)-ND.

##### (b) Subsidiary Company

M/s. India Ports Global Limited ('the Parent') is a Government company registered under Companies Act, 2013 and incorporated on 22nd January, 2015. Company's Corporate office is located at 4th Floor, Nirman Bhavan, M.P. Road, Mazgaon, Mumbai 400 010 and its registered office is situated in state of Maharashtra i.e. within the jurisdiction of the Registrar of Companies, Maharashtra, at Mumbai. The parent together with its subsidiary (hereinafter collectively referred to as the 'Group') are carrying on the business of construction and development of ports, its common facilities, equipping and operation of terminals for port activities. The Parent has become wholly owned subsidiary of M/s. SAGARMALA FINANCE CORPORATION LIMITED (FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED) (Public Limited Company) on 29th November, 2018. Therefore, M/s. India Ports Global Limited has become Deemed Public Company w.e.f. 29th November, 2018.

##### (c) Associate Company

#### I Krishnapatnam Railway Company Limited (KRCL)

Krishnapatnam Railway Company Limited (KRCL) is a public limited company domiciled and was incorporated in India on October 11, 2006 as a Special Purpose Vehicle (SPV) for the purpose of constructing the Krishnapatnam-Obulavaripalle New Railway Line (Andhra Pradesh) Project. The Company is a Joint Venture between Rail Vikas Nigam Limited (RVNL), Krishnapatnam Port Company Limited, National Mineral Development Corporation, Government of Andhra Pradesh, and Bramhani Industries Limited. The registered office of the company is located at Door no. 9-1-164/A to 166 5th Floor Amsri Faust Complex Sarojini Devi Road, Secunderabad, Telangana.

#### II Haridaspur Paradip Railway Company Limited

Haridaspur Paradip Railway Company Limited ("the company") is a public limited company domiciled and was incorporated in India on 25th September, 2006 as a Public Limited Company. The company received the mandate to finance, execute, maintain and operate Haridaspur Paradip New Railway Line project of length 82 Kms. under a Concession Agreement with Ministry of railways and Government of India [GOI] signed on 20th December, 2007 on Built Own Operate and Transfer [BOOT] basis. The registered office of the company on the date of approval by financial statements by Board of Directors is located at Unit No-DCB-714,715 716 & 717, 7th floor, DLF Cyber City, Chandaka Industrial Estate, Bhubaneswar Khordha, Orissa 751024.

## SAGARMALA FINANCE CORPORATION LIMITED

### (FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)

#### Notes to the Consolidated Financial Statements for the year ended 31st March 2025

#### III Vishakhapatnam Port Road Company Limited

The Company has been set up to develop, establish, construct, operate and maintain a project relating to the construction, operation and maintenance of the Vishakhapatnam Port connectivity project under the “Build – Operate – Transfer” (BOT) basis. The company is owned jointly by National Highways Authority of India (NHAI) & Vishakhapatnam Port Trust (VPT). A memorandum of understanding has been entered between the Company, Vishakhapatnam Port Trust (VPT) and NHAI. VPT has agreed in principle to the proposal of NHAI to grant the concession to the Company for a period of 30 years for implementing the above said road connectivity project. The project was capitalized and transferred to fixed asset during the financial year 2006-07 and the toll collection was started from that financial year.

#### IV Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited

Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited is a private company domiciled in India and incorporate under the provision of the Companies act, 2013 on 12.12.2023. The company is primarily in Tourism services and yet to start operations.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PREPARATION

### 2.1 Statement of Compliance

The Consolidated financial statements for the year ended 31st March, 2025 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These financial statements were approved for issue by Board of Directors on 24.09.2025

### 2.2 Basis of Measurement

The Consolidated financial statements have been prepared under the historical cost convention and on an accrual basis, except for the following item that have been measured at fair value as required by relevant Ind-AS.

- a. Employee defined benefit plan.
- b. Certain financial assets and liabilities measured at fair value.

### 2.3 Use of Estimates and Judgement

The preparation of Consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates includes future obligations under employee retirement benefit plans and estimated useful life of property, plant and equipment, Employee benefit expenses, provisions etc. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognized in the period in which the results are known /materialized.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

**Property, Plant and Equipment:** The useful lives and residual values are reviewed periodically along with depreciation method.

**Provisions:** Provisions are determined based on estimation to settle the obligation at balance sheet date.

**Contingent Liabilities/Assets:** Contingent Liabilities/Assets are disclosed based on judgement of management, are reviewed at each balance sheet date and are adjusted to reflect current management estimate.

**Recognition of Deferred Tax Assets:** Deferred Tax Asset is recognized based on the assessment of probability of future taxable income against which the deferred tax can be utilized.

**Leases:-** Company uses its judgement in determining whether or not contract contains a lease, extension option of the lease agreement and termination option of the lease agreement will exercised or not. Further company uses estimation in calculating the appropriate discount rate to use and lease term of the leases.

All financial information presented in Indian rupees and all values are rounded to the nearest lakhs except where otherwise stated.



## SAGARMALA FINANCE CORPORATION LIMITED

### (FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)

#### Notes to the Consolidated Financial Statements for the year ended 31st March 2025

#### 2.4 Principles of Consolidation:-

The financial statements of Subsidiary, Joint Venture and Associate are drawn up to the same reporting date as of the Company for the purpose of consolidation.

Subsidiary is the entity over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non- controlling interests (NCI) in the results and equity of subsidiary is shown separately in the consolidated statement of Income & Expenditure, consolidated statement of changes in equity and consolidated balance sheet respectively. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

#### 2.5 Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, cash at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand which are considered part of the Company's cash management system.

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, cash at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand which are considered part of the Company's cash management system.

#### 2.6 Functional and Presentation Currency

Items Included in the Financial Statements are measured using the currency of primary economic environment in which the Company operates (Functional Currency) The financial statements are presented in Indian Rupee (INR), which is functional as well as presentation currency of company.

a) Transactions in foreign currency are recorded at the rate of exchange prevailing at the time of transaction. Exchange differences arising on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

b) Monetary items denominated in foreign currency are translated using the exchange rate prevailing at the reporting date and the resulting exchange difference is recognized in the Statement of Profit and Loss.

#### 2.7 Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost of asset includes the following:

(a) Cost directly attributable to the acquisition of the assets

(b) Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

(c) Cost of replacement, major inspection, repair of significant parts is capitalized if the recognition criteria are met.

(d) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of assets. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in statement of profit or loss.

#### Depreciation

(a) Depreciation on Property, plant and Equipment is provided on Written down value method (WDV) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.

(b) Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

(c) Property, Plant and Equipment individually costing Rs. 5,000 or less are fully depreciated in the year of purchase.

**SAGARMALA FINANCE CORPORATION LIMITED**

**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

<b>Particulars</b>	<b>Useful Life (Years)</b>
Computers and peripherals	3
Computer servers	6
Office	5
Furniture	10

(d) Depreciation methods, useful lives and residual values are reviewed at each reporting date.

The Board of Directors in their meeting held on 19th August'25, approved amendment in rate of depreciation on mobile phone. Mobile phones w.e.f. 01st April'25 to be depreciated in two years with Nil residual value.

**2.8 Intangible Assets**

An intangible Asset is recognized where it is probable that the future economic benefits attributable to the assets will flow to the company and cost of the asset can be measured reliability. Intangible assets are stated at historical cost less accumulated amortization and impairment loss, if any.

**Amortization**

Assets are amortized over their respective estimated useful lives on a straight- line basis from the date that they are available for use.

**NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENT**

<b>Particulars</b>	<b>Useful Life (Years)</b>	<b>Generation Mode (Acquired/Self)</b>
Software	3	Acquired

Amortization methods, useful lives and residual values are reviewed at each reporting date

**2.9 Capital Work in progress**

Capital work in progress includes the cost of property, plant and equipment (PPE) that are not yet ready for their intended use and the cost of assets not put to use before the balance Sheet date.

**2.10 Provisions, Contingent Liabilities and Contingent Assets**

**Provisions** are recognized in respect of liabilities which can be measured only by using a substantial degree of estimates when:-

- (a) The Group has a present obligation as a result of a past event,
- (b) It is Probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and,
- (c ) The amount of the obligation can be reliably estimated

Provisions are reviewed at each Balance Sheet date.

Discounting of provision

Where the effect of the time value of money is material the amount of a provision shall be the present value of the expenditure expected to be required to settle the obligation.

**Contingent Liabilities** are disclosed in either of the following cases:

- 1. A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
- 2. A reliable estimate of the present obligation cannot be made; or
- 3. A possible obligation, unless the probability of outflow of resource is remote.

Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.

**Contingent assets** are disclosed where an inflow of economic benefits is probable.

**2.11 Revenue Recognition**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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.

**Dividend Income**

Income from dividend on shares of corporate bodies is taken into account on accrual basis when right to receive payment is established. Provided that in case of final dividend, the right to receive payment shall be considered as established only upon approval of the dividend by the shareholders in the Annual General Meeting.

## SAGARMALA FINANCE CORPORATION LIMITED

### (FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)

#### Notes to the Consolidated Financial Statements for the year ended 31st March 2025

Dividend on financial assets subsequently measured at receipt value basis through profit and loss is recognised separately under the head 'Dividend Income.

#### Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable using Effective Interest rate Method.

#### Other Income

Other income includes Tender fees/ Job Application Fee etc. have been accounted for on receipt basis.

### 2.12 Leases

#### (a) As a lessee

(i) The Group Recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

(ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use-asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

(iv) The lease liability is measured at amortized cost using the effective interest method, it is remeasured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

(v) The Group presents right-of-use asset that do not meet the definition of Investment property in the "Property plant and equipment" and lease liabilities in "other financial liabilities" in the Balance Sheet.

(vi) **Short term Lease and Leases of low value assets:**-The Group has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### (b) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of "Other Income".

### 2.13 Impairment of Assets

In accordance with IND AS- 36 Impairment of Assets, the carrying amounts of Group's assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment.

If any such indication exists, the asset's recoverable amount is estimated as the higher of the Fair Value less cost to sell and the value in use. An impairment loss is recognized in Statement of Profit and Loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit and Loss

### 2.14 Borrowing Cost

The Group incurred no borrowing cost attributable to the acquisition or construction of any qualifying assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and Loss.



**SAGARMALA FINANCE CORPORATION LIMITED**

**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**2.15 Employee Benefits**

**(a) Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, LTC etc. are recognized in the period in which the employee renders the related service.

**(b) Long Term Employee Benefits:**

**(i) The obligation for long-term employee benefits such as half pay leave and LTC**

- Accounted for on actuarial valuation made at the end of year as per Ind AS-19.
- The actuarial gains/losses are recognized in the Statement of Profit and Loss for the year.

**(ii) Leave Encashment**

- The company recognizes the obligation of a defined benefit plan in its balance sheet as a liability and are determined by actuarial valuation, performed by an independent actuary, at the year end.
- Company recognizes components of defined benefit cost in the Statement of Profit and Loss for the year.

**(b) Post Employee Benefits:**

**Defined contribution plans**

The Company's contribution to Provident Fund is recognized during the period in which the employee renders the related service. Gratuity is a post-employment defined benefit plan. The liability recognized in the balance sheet is the present value of the defined benefit obligation at the balance sheet date less fair value of plan assets. The defined benefit obligation is calculated by an independent actuary using projected unit credit (PUC) method as per Ind AS-19.

Provision/liabilities towards Foreign Service Contribution- Pension and Leave Salary are made in terms of Government Rules & Regulations for employees on deputation and charged to statement of Profit and Loss on accrual basis.

**2.16 Taxes**

**(a) Current Income tax**

Tax expense for the year comprises of current Income tax and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities using the applicable tax rates.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current tax related to OCI Items is recognized in Other Comprehensive Income (OCI).

**(b) Deferred Tax**

In accordance with the Indian Accounting Standard (IND-AS 12) "Income Taxes" issued by the Institute of Chartered Accountants of India.

(i) Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

(ii) Deferred income tax assets are recognized 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 utilized.

(iii) The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

(iv) Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

**2.17 Earning Per Share**

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

The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue and share split.

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

**SAGARMALA FINANCE CORPORATION LIMITED**

**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**2.18 Dividend to Equity Shareholders**

Annual Dividend distribution to the Company's equity shareholders is recognised as liability in the period in which dividend is approved by the shareholders. Any interim dividend is recognised as liability on approval by the Board of Directors. Dividend payable is recognised directly in Retained Earnings.

**2.19 Events Occurring after Balance Sheet Date**

Events occurring after Balance Sheet date are considered in the preparation of financial statements in accordance with Ind AS 10 (Contingencies and Events Occurring After Balance Sheet Date).

**2.20 Fair Value Measurement**

Group measures certain financial instruments at fair value at each reporting 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. in the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

**2.21 Expenditure on issue of shares**

Expenditure on issue of shares, if any, is charged to the retained earnings.

**2.22 Financial Instruments**

**Initial Recognition**

Financial Assets and Liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**Subsequent Recognition**

**Financial Assets** : are classified in following categories:

**a) At Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b) Fair Value through Other Comprehensive Income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**c) At Fair Value through Profit and Loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**Financial Liabilities** : are classified in following categories:

**a) Financial liabilities at Amortized Cost**

Financial liabilities at amortised cost represented by trade and other payables, security deposits and retention money etc. are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

**b) Financial liabilities at Fair Value through Profit and Loss**

The company has not designated any financial liabilities at FVTPL.

**SAGARMALA FINANCE CORPORATION LIMITED**

**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**De-Recognition**

**Financial Asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

**Financial Liability**

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

**Impairment of financial assets:**

Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

Group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss

**2.23 Prior Period expenses and income**

Expenditure/income relating to prior periods arising in current year as a result of errors or omissions not exceeding Rs.10,00,000 or 1 percent of operating revenue (net of statutory levies) whichever is higher in each case shall be treated as expenditure /income of current year. The effect of any expenditure exceeding the above noted limit will be considered for reinstatement of the opening balance sheet by way of adjustment in retained earning.

**2.24 Prepaid Items**

Individual items of prepaid Expenses in excess of Rs.2,00,000/- each are recognized as Prepaid expense, however prepaid expenses upto Rs.2,00,000/- are charged to natural head of account.



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**3 Property, Plant and Equipment**

(INR in Lakhs)

Particulars	Computer & Peripherals	Furniture and Fixtures	Office Equipment	Office Establishment	Electrical Fitting & Installation	RoU Assets	Plant and machinery	Total
<b>Cost or Deemed Cost</b>								
<b>At 31st March 2023</b>	<b>20.87</b>	<b>12.65</b>	<b>22.46</b>	<b>49.02</b>	<b>12.76</b>	<b>508.40</b>	<b>17,970.61</b>	<b>18,596.77</b>
Additions	11.42	19.90	2.58	-	-	296.05	-	329.95
Disposals	-	-	-	-	-	508.40	-	508.40
Translation Difference	-	(0.05)	-	-	-	-	-	(0.05)
<b>At 31st March 2024</b>	<b>32.29</b>	<b>32.50</b>	<b>25.04</b>	<b>49.02</b>	<b>12.76</b>	<b>296.05</b>	<b>17,970.61</b>	<b>18,418.27</b>
Additions	13.66	39.13	9.76	-	-	-	-	62.55
Disposals	2.87	-	-	-	-	-	-	2.87
Translation Difference	-	(15.31)	-	-	-	-	-	(15.31)
<b>At 31st March 2025</b>	<b>43.08</b>	<b>56.32</b>	<b>34.80</b>	<b>49.02</b>	<b>12.76</b>	<b>296.05</b>	<b>17,970.61</b>	<b>18,462.64</b>
<b>Depreciation and impairment</b>								
<b>At 31st March 2023</b>	<b>18.20</b>	<b>9.74</b>	<b>16.65</b>	<b>42.70</b>	<b>11.21</b>	<b>480.26</b>	<b>2,334.80</b>	<b>2,913.58</b>
Depreciation charge for the year	5.32	2.37	3.12	1.63	0.40	99.51	2,830.08	2,942.44
Disposals	-	-	-	-	-	508.40	-	508.40
Translation Difference	-	0.07	-	-	-	-	-	0.07
<b>At 31st March 2024</b>	<b>23.52</b>	<b>12.18</b>	<b>19.77</b>	<b>44.34</b>	<b>11.61</b>	<b>71.37</b>	<b>5,164.88</b>	<b>5,347.69</b>
Depreciation charge for the year	9.03	7.59	3.67	1.21	0.30	98.68	2,317.84	2,438.32
Disposals	2.73	-	-	-	-	-	-	2.73
Translation Difference	-	-	-	-	-	-	-	-
<b>At 31st March 2025</b>	<b>29.82</b>	<b>19.77</b>	<b>23.44</b>	<b>45.55</b>	<b>11.91</b>	<b>170.05</b>	<b>7,482.72</b>	<b>7,783.28</b>
<b>Net book value</b>								
<b>At 31st March 2025</b>	<b>13.26</b>	<b>36.55</b>	<b>11.36</b>	<b>3.47</b>	<b>0.85</b>	<b>126.00</b>	<b>10,487.89</b>	<b>10,679.35</b>
<b>At 31st March 2024</b>	<b>8.77</b>	<b>20.32</b>	<b>5.27</b>	<b>4.68</b>	<b>1.15</b>	<b>224.68</b>	<b>12,805.73</b>	<b>13,070.57</b>

**4 Capital Work-in-Progress**

(INR in Lakhs)

Particulars	Office Equipment	Chabahar Port Equipments	Iran Port Equipments	Total
<b>Cost or Deemed Cost</b>				
<b>At 31st March 2023</b>	-	-	-	-
Additions	0.25	-	-	0.25
Disposals	-	-	-	-
Capitalised during the year	-	-	-	-
<b>At 31st March 2024</b>	<b>0.25</b>	-	-	<b>0.25</b>
Additions	-	-	-	-
Disposals	0.25	-	-	0.25
Capitalised during the year	-	-	-	-
<b>At 31st March 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>				
<b>At 31st March 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31st March 2024</b>	<b>0.25</b>	<b>-</b>	<b>-</b>	<b>0.25</b>

Ageing Schedule of the Capital Work in Progress are as follows:-

Particulars	At 31st March 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Projects in progress</b>					
Chabahar Port Expenses					
Office Equipments					-
<b>Projects temporarily suspended</b>	-	-	-	-	-
<b>TOTAL</b>	-	-	-	-	-

Particulars	At 31st March 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Projects in progress</b>					
Chabahar Port Equipments					
Chabahar Port Expenses					
Office Equipments	0.25				0.25
<b>Projects temporarily suspended</b>	-	-	-	-	-
<b>TOTAL</b>	0.25	-	-	-	0.25

## 5 Other Intangible Assets

Particulars	(INR in Lakhs)		
	Software	Website Development	Total
<b><u>At Cost or Deemed cost</u></b>			
<b>At 31st March 2023</b>	0.83	9.92	10.75
Addition during the year	-	0.22	0.22
Adjustment	-	-	-
<b>At 31st March 2024</b>	0.83	10.14	10.97
Addition during the year	0.63	0.83	1.46
Adjustment	-	-	-
<b>At 31st March 2025</b>	1.46	10.96	12.42
<b><u>Amortization and Impairment</u></b>			
<b>At 31st March 2023</b>	-	4.33	0.72
Amortization	-	0.72	-
Impairment	0.83	-	5.88
<b>At 31st March 2024</b>	0.83	5.05	5.88
Amortization	0.02	1.06	1.08
Impairment	-	-	-
<b>At 31st March 2025</b>	0.85	6.11	6.96
<b><u>Net book value</u></b>			
<b>At 31st March 2025</b>	0.61	4.85	5.46
<b>At 31st March 2024</b>	-	5.09	5.09

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**6 Financial Assets - Non-Current**

**6.1 Investments**

		(INR in Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024 Restated *	
<b>Investments Accounted using Equity Method</b>			
<b><u>Associate Company</u></b>			
<b>In Equity Shares- Unquoted-at- cost, fully paid up</b>			
<b>Krishnapatnam Railway Company Limited</b>			
( 12,50,00,000 shares of Rs.10 each)	12,973.06	11,559.35	
(Previous Year 12,50,00,000 shares of Rs.10 each)			
	<b>12,973.06</b>	<b>11,559.35</b>	
<b>In Equity Shares- Unquoted-at- cost, fully paid up</b>			
Haridaspur Paradip Railway Company Limited	41,271.96	38,091.47	
( 33,67,88,058 shares of Rs.10 each) (Previous Year			
33,67,88,058 shares at Rs.10each)			
Less: Dividend income	2,020.73	-	
	<b>39,251.23</b>	<b>38,091.47</b>	
<b>In Equity Shares- Unquoted-at- cost, fully paid up</b>			
<b>Vishakhapatnam Port Road Company Limited</b>			
( 2,00,00,000 shares of Rs.10 each)	5,426.38	4,738.21	
(Previous Year 2,00,00,000 shares of Rs. 10 each)			
Less: Dividend income	460.00	430.00	
	<b>4,966.38</b>	<b>4,308.21</b>	
<b>In Equity Shares- Unquoted-at- cost, fully paid up</b>			
Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited	4.90	-	
(49,000 shares of Rs 10 each)			
	<b>4.90</b>	<b>-</b>	
<b>Total</b>	<b>57,195.56</b>	<b>53,959.03</b>	
<b>Others at Fair Value through Other Comprehensive Income</b>			
<b>Calcutta Haldia Port Road Company Limited</b>			
( 2,00,00,000 shares of Rs.10 each at premium of Rs. 15)	1,850.00	2,084.00	
(Previous Year 2,00,00,000 shares of Rs.10 each at premium of			
Rs. 15)			
<b>Total</b>	<b>1,850.00</b>	<b>2,084.00</b>	
Total Non current investments	<b>59,045.56</b>	<b>56,043.03</b>	
Aggregate value of unquoted investments	59,045.56	56,043.03	
Aggregate amount of impairment in value of investments	-	-	
* Restated Refer Note No.58			

**6.2 Other Non-Current Financial Assets**

		(INR in Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024	
<b>Unsecured, Considered Good</b>			
Fixed deposits having maturity of more than 1 year	663.84	21,341.99	
Security Deposits	88.50	85.56	
Notes Protested	5.91	70.16	
VAT	0.26	37.74	
Advanced to Suppliers	3.42	1.23	
<b>Total</b>	<b>761.93</b>	<b>21,536.67</b>	



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**7 Deferred Tax**

Particulars	As at 31st March 2025	As at 31st March 2024
<b>A. Deferred Tax Liabilities</b>		
Property, Plant and Equipment	-	-
Other Disallowances	-	-
OCI Items	-	-
<b>Total of Deferred Tax Liabilities/(Assets)</b>	<b>-</b>	<b>-</b>
<b>B. Deferred Tax Assets</b>		
OCI Items	0.25	-
Deferred Income	-	0.01
Provision for Gratuity	2.86	1.70
Employee Benefits	22.49	16.20
Property, Plant and Equipment	147.64	8.28
<b>Total deferred tax asset</b>	<b>173.24</b>	<b>26.20</b>
<b>Net Deferred Tax Assets/ (Liability)</b>	<b>173.24</b>	<b>26.20</b>

**7.1 Movement in deferred tax (liability)/ asset**

NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENT	OCI Items/Provisi on for Leave Encashment	Deferred Income	Provision for Gratuity	Property, Plant and Equipment	Total
<b>Closing balance as at 31st March 2023</b>	6.46	0.01	1.24	10.63	18.36
Charged/(credited) during					-
To Profit & Loss	-	-	-	7.84	7.84
To other comprehensive income	-	-	-	-	-
<b>Closing balance as at 31st March 2024</b>	<b>6.46</b>	<b>0.01</b>	<b>1.24</b>	<b>18.47</b>	<b>26.20</b>
Charged/(credited) during					
To Profit & Loss	0.25	-	-	146.81	147.06
To other comprehensive income	-	-	-	-	-
<b>Closing balance as at 31st March 2025</b>	<b>6.71</b>	<b>0.01</b>	<b>1.24</b>	<b>165.28</b>	<b>173.24</b>

Deferred Tax assets for deductible temporary difference on fair valuation of investment has not been recognised since it is not probable that future taxable profit shall be available against which the deductible temporary difference can be utilised.

**8 Other Non current assets**

(INR in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024 Restated*
Prepaid Rent	69.09	92.26
Fair Value Adjustment on Security Deposits	1.58	6.95
	<b>70.67</b>	<b>99.21</b>

\* Restated Refer Note No.58

**9 Inventories**

Consumable Stock	769.71	14.42
	<b>769.71</b>	<b>14.42</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**10 Financial Assets- Current**

**10.1 Trade Receivables**

(INR in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Unsecured, Considered Good</b>		
Trade Receivables	722.33	300.48
Less: Expected Loss	-	(8.22)
MM Branch Trade Receivables Control A/C	2.29	-
	<b>724.62</b>	<b>292.26</b>

**Trade Receivables Ageing Schedule**

**As at 31st March 2025**

(INR in Lakhs)

Particulars	Outstanding for following periods from due date of transactions					Total
	< 6 months	6 months-1 Year	1-2 Years	2-3 Years	> 3 Years	
(i) Undisputed Trade Receivables- considered good	262.58	334.53	105.94	11.51	10.06	724.62
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
<b>TOTAL</b>	<b>262.58</b>	<b>334.53</b>	<b>105.94</b>	<b>11.51</b>	<b>10.06</b>	<b>724.62</b>

**As at 31st March 2024**

(INR in Lakhs)

Particulars	Outstanding for following periods from due date of transactions					Total
	< 6 months	6 months-1 Year	1-2 Years	2-3 Years	> 3 Years	
(i) Undisputed Trade Receivables- considered good	226.17	4.72	57.17	6.54	5.88	300.48
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit loss						8.22
<b>TOTAL</b>	<b>226.17</b>	<b>4.72</b>	<b>57.17</b>	<b>6.54</b>	<b>5.88</b>	<b>292.26</b>

**10.2 Cash and Cash equivalent**

(INR in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Cash in hand	0.70	0.20
Balances with banks:		
On Current Accounts	47,981.08	2,359.32
On Flexi Accounts	11.02	79.16
Fixed Deposits with original maturity of less than three months	7,076.95	10,073.70
MM Branch Cash & Bank Balance control A/c	58.40	-
<b>Total</b>	<b>55,128.15</b>	<b>12,512.38</b>

**10.3 Bank Balances other than cash and cash equivalent**

(INR in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
Fixed Deposits with maturity of more than 3 months but less than 12 months	61,318.00	39,688.31
Margin money deposits net of expected credit loss	85.20	92.11
<b>Total</b>	<b>61,403.20</b>	<b>39,780.42</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

<b>10.4 Other financial assets</b>		<b>(INR in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>	
Interest Accrued on FDRs	1,668.57	1,791.26	
Recoverable from Ministry of Shipping	96.26	409.65	
Other Recoverable	-	5.85	
Mortgage deposit	47.56	2.70	
<b>Total</b>	<b>1,812.39</b>	<b>2,209.46</b>	

<b>11 Current tax asset</b>		<b>(INR in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024 Restated *</b>	
<b>Assets:</b>			
Advance income tax	817.00	544.86	
Income tax refund receivable	-		
TDS Recoverable	616.15	444.09	
<b>Provision for tax:</b>			
Provision for income tax current year	(1,402.98)	(842.36)	
<b>Total</b>	<b>30.17</b>	<b>146.59</b>	
* Restated Refer Note No.58			

<b>12 Other current assets</b>		<b>(INR in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>	
Balance with Government Authorities TDS on GST	0.08	0.08	
Other Advances from Parties	1.20	3.26	
Advance to supplier	10.77	8.20	
Fair Value Adjustment on Security Deposits	5.72	(1.09)	
Prepaid Expenses	23.93	24.69	
Prepaid Interest on Lease Liability	0.34	0.56	
MM Branch Other current assets control A/c	68.06	-	
Recoverabel Grant from Myanmar branch	105.36	-	
Other	5.49	5.49	
<b>Total</b>	<b>220.95</b>	<b>41.19</b>	



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**13 Equity Share Capital**

(INR in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Authorized share capital</b>		
1,00,00,00,000 Equity Shares of Rs. 10 each (31st March, 2024: 1,00,00,00,000 Equity Shares of Rs.10 each)	100,000.00	100,000.00
	<b>100,000.00</b>	<b>100,000.00</b>
<b>Issued, Subscribed &amp; Fully Paid up Share Capital with voting rights</b>		
1,00,00,00,000 Equity Shares of Rs. 10 each (31st March, 2024: 1,00,00,00,000 Equity Shares of Rs.10 each)	100,000.00	100,000.00
	<b>100,000.00</b>	<b>100,000.00</b>

**(a) Details of Shareholding of each Promoter**

Name of the Promoter	As at 31st March 2025			As at 31st March 2024		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
The President of India	999,999,994	99.9999993%	0.00%	999,999,994	99.9999993%	16.74%
Shri Sushil Kumar Singh *	-	-	-	1	0.0000001%	-
Shri Bhushan Kumar *	-	-	-	1	0.0000001%	-
Shri R Lakshmanan *	1	0.0000001%	-	1	0.0000001%	-
Shri Vinay Kumar Prajapati *	1	0.0000001%	-	1	0.0000001%	-
Shri Agrim Kaushal *	-	-	-	1	0.0000001%	-
Shri Sunil Kumar Singh *	-	-	-	1	0.0000001%	-
Shri Sandeep Gupta *	1	0.0000001%	-	-	-	-
Shri Mukesh Mangal *	1	0.0000001%	-	-	-	-
Shri Animesh Bharti *	1	0.0000001%	-	-	-	-
Shri H.N.Asawath *	1	0.0000001%	-	-	-	-
<b>Total</b>	<b>1,000,000,000</b>	<b>100%</b>	<b>0.00%</b>	<b>1,000,000,000</b>	<b>100%</b>	<b>16.74%</b>

\* The above shareholders are holdig shares in nominee capacity on behalf of president of India through MoPSW

**(b) Reconciliation of the number of equity shares and share capital**

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of shares (in Lakhs)	Amount (in Lakhs)	No. of shares (in Lakhs)	Amount (in Lakhs)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	10,000.00	100,000.00	8,565.70	85,657.00
Add: Shares Issued during the year	-	-	1,434.30	14,343.00
Shares bought back during the Year	-	-	-	-
<b>Issued/Subscribed and Paid up equity Capital outstanding at the end of the year</b>	<b>10,000.00</b>	<b>100,000.00</b>	<b>10,000.00</b>	<b>100,000.00</b>

**(c) Terms/Rights attached to Equity Shares**

The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

The company has declared and paid interim dividend of Rs.3,50,00,000/- (Rs.0.0350/- on each fully paid 100,00,00,000 Nos. of equity shares) in Indian Rupees. The dividend, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**(d) Details of Shares held by each shareholder holding more than 5% shares in the company**

Name of the shareholder	As at 31st March 2025		As at 31st March 2024	
	No. of Shares (in Lakhs)	% holding in the class	No. of Shares (in Lakhs)	% holding in the class
President of India	10,000.00	100.00	10,000.00	100.00
<b>Total</b>	<b>10,000.00</b>	<b>100.00</b>	<b>10,000.00</b>	<b>100.00</b>

**(e) Aggregate no. of equity shares issued as fully paid by way of bonus, other than cash & shares bought back during the period of five years immediately preceding the reporting date**

Particulars	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
	No in lakhs	No in lakhs	No in lakhs	No in lakhs	No in lakhs
Equity Shares issued for consideration other than cash	-	-	-	-	700.00
Equity Shares issued as fully paid up bonus shares	-	-	-	-	-
Equity Shares bought back	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>700.00</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

14 Other Equity	(INR in Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024 Restated*
<b>Reserves and Surplus:-</b>		
Retained Earnings (Refer Note 14.1)	21,969.27	14,173.26
Capital Reserve (Refer Note 14.2)	-	-
FVTOCI Equity Instrument (Refer Note 14.2)	(3,150.00)	(2,916.00)
<b>Total</b>	<b>18,819.27</b>	<b>11,257.26</b>

14.1 Retained Earnings	(INR in Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024 Restated*
Balance as per last financial statement	14,173.26	5,266.16
Add: Net profit for Current Year	9,686.41	8,891.63
Add: FCTR Additions/(Utilization)	(1,538.94)	29.82
Less: Share Issue Expenses	-	(14.34)
Change in fair value of Defined Benefit Obligation	(3.27)	-
Deferred Taxes	0.25	-
Add: Other Changes - Legal Reserves	1.56	-
Less: Interim dividend	(350.00)	-
<b>Closing Balance</b>	<b>21,969.27</b>	<b>14,173.26</b>

14.2 FVTOCI Equity Instrument	(INR in Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024 Restated*
Balance as per last financial statement	(2,916.00)	(3,960.00)
Change in fair value of FVTOCI equity instrument	(234.00)	1,044.00
	<b>(3,150.00)</b>	<b>(2,916.00)</b>

In line with restatement of Capital Reserve & Retained earning by IPGL for FY 2023-24, the Company has restated its retained earning and capital reserve.

**Nature and purpose of Reserve**

SMFCL has elected to recognize changes in fair value of certain investment in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI Equity Investments Reserves within Equity. The company transfers amounts from this Reserve to Retained Earnings when the relevant Equity Securities are de-recognized.

\* Restated Refer Note No.58

**15 Financial Liabilities**

15.1 Lease Liabilities - Non Current	(INR in Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024
Lease Liabilities	28.97	137.35
<b>Total</b>	<b>28.97</b>	<b>137.35</b>
Particulars	As at 31st March 2025	As at 31st March 2024
Provisions for Employee Benefits	65.57	47.70
<b>Total</b>	<b>65.57</b>	<b>47.70</b>

17 Other Non current Liability	(INR in Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024 Restated*
Deferred Income Grant	71,581.81	32,689.74
Less: Reclassified to Current Liabilities	(1,898.31)	(2,830.09)
Less : Transferred to SOPL	(2,317.84)	-
<b>Total</b>	<b>67,365.65</b>	<b>29,859.65</b>

\* Restated Refer Note No.58

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
Notes to the Consolidated Financial Statements for the year ended 31st March 2025

**18 Financial Liabilities - Current**

<b>18.1 Lease Liability</b>			<b>(INR in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>		
Lease Liabilities	451.02	94.06		
<b>Total</b>	<b>451.02</b>	<b>94.06</b>		

<b>18.2 Trade Payables</b>			<b>(INR in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>		
Dues of micro and small Enterprise	31.41	11.06		
Dues other than micro enterprises and small enterprises	384.61	575.55		
MM Branch to Mission MEA 50% of Branch Revenue	10.19	-		
<b>Total</b>	<b>426.21</b>	<b>586.61</b>		

\* Restated Refer Note No.58

**Trade payables ageing schdule as on March 31, 2025**

<b>Particulars</b>	<b>Outstanding for the follwing period from the due date of payment</b>				<b>Total</b>
	<b>Less than 1 year</b>	<b>1 - 2 years</b>	<b>2 - 3 years</b>	<b>More than 3 years</b>	
(i) MSME	23.15	8.26	-	-	31.41
(ii) Others	89.99	-	1.00	-	90.99
(iii) Unbilled Dues	261.06	42.75	-	-	303.81
<b>Total</b>					<b>426.21</b>

**Trade payables ageing schdule as on March 31, 2024**

<b>Particulars</b>	<b>Outstanding for the follwing period from the due date of payment</b>				<b>Total</b>
	<b>Less than 1 year</b>	<b>1 - 2 years</b>	<b>2 - 3 years</b>	<b>More than 3 years</b>	
(i) MSME	11.06	-	-	-	11.06
(ii) Others	334.12	139.25	49.87	-	523.24
(iii) Unbilled Dues	52.31	-	-	-	52.31
<b>Total</b>					<b>586.61</b>

<b>18.3 Other Financial Liability</b>			<b>(INR in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>		
Security Deposits	22.74	56.71		
Other Payables	12.02	56.37		
Retention Money	74.72	-		
MEA Govt. A/c -Payable (Interest Earned on Fixed Deposit created out of Government Grant)	1,512.23	729.85		
National Pension Scheme	25.35	-		
Salaries and wages payable	6.58	-		
Premiums payable	1.21	-		
EMD	0.11	0.11		
<b>Total</b>	<b>1,654.96</b>	<b>843.04</b>		

\* Restated Refer Note No.58

<b>19 Other Current Liabilities</b>			<b>(INR in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>		
Statutory dues	33.66	64.20		
Advances Received	7.68	2.05		
Other Reserves	-	-		
MM Branch Other CL Control; A/C	9.95	-		
Deferred Income	1,898.30	2,830.08		
<b>Total</b>	<b>1,949.59</b>	<b>2,896.33</b>		

Statutory dues includes TDS, GST dues, Foreign Service Contribution payable and Provident fund payable.



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**20 Provisions Current**

<b>Particulars</b>	<b>(INR in Lakhs)</b>	
	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
Provision for stamp duty	39.00	39.00
Provision for Employee Benefits	24.81	16.73
Provision for interest on income tax	0.35	-
<b>Total</b>	<b>64.16</b>	<b>55.74</b>

**(a) Movement in Provisions as at 31st March 2025**

**(INR in Lakhs)**

<b>Particulars</b>	<b>Carrying amount as at beginning of the year</b>	<b>Addition al provision made during the year</b>	<b>Amount used/reversed during the year</b>	<b>Carrying amount as on the end of the year</b>
Provision for stamp duty	39.00	-	-	39.00
Provisions for Employee Benefits	16.73	8.08	-	24.81
Provision for interest on income tax	-	0.35	-	0.35
	<b>55.74</b>	<b>8.43</b>	<b>-</b>	<b>64.16</b>

**(b) Movement in Provisions as at 31st March 2024**

**(INR in Lakhs)**

<b>Particulars</b>	<b>Carrying amount as at beginning of the year</b>	<b>Addition al provision made during the year</b>	<b>Amount used/reversed during the year</b>	<b>Carrying amount as on the end of the year</b>
Provision for stamp duty	73.16	14.35	(48.50)	39.00
Provisions for Employee Benefits	16.73	-	-	16.73
	<b>89.89</b>	<b>14.35</b>	<b>(48.50)</b>	<b>55.74</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

<b>21</b>	<b>Revenue From Operations</b>	(INR in Lakhs)	
	<b>Particulars</b>	<b>For the year ended 31st March 2025</b>	<b>For the year ended 31st March 2024</b>
	Dividend Income from associates	2,480.73	430.00
	Less : Transfer with Dividend from Associate Companies	(2,480.73)	(430.00)
	General & Bulk Cargo stevedoring	305.73	280.66
	Terminal Handling Charges	2,651.93	1,744.10
	Shore Handling of Non Container Cargo	8.17	4.09
	Storage Charges of Container	586.22	342.14
	Storage of Non Container Cargo	69.65	79.18
	Container strip and stuffing (TEU)	1.45	110.32
	Non Container subsidiary Services (hr)	8.74	17.57
	Shifting of container in ship,hatch and stock handling (No)	105.52	47.57
	Subsidiary services	17.15	16.23
	Net revenue from Myanmar Branch operations	10.06	-
	<b>Total</b>	<b>3,764.62</b>	<b>2,641.86</b>
<b>22</b>	<b>Other Income</b>	(INR in Lakhs)	
	<b>Particulars</b>	<b>For the year ended 31st March 2025</b>	<b>For the year ended 31st March 2024</b>
	Interest Income from Deposits with Bank	3,921.62	3,614.36
	Interest income on Security deposits(Unwinding of Discount)	5.53	5.78
	Miscellaneous Income	0.22	3.29
	Tender Fee	1.16	3.69
	Foreign Exchange Gains	-	1.25
	Interest Income	167.71	88.59
	Revenue Grant from MEA	1,670.29	289.70
	Other Income	0.24	11.67
	Consultancy fees	-	144.09
	Deffered Income (Grant)	2,317.84	2,830.08
	<b>Total</b>	<b>8,084.61</b>	<b>6,992.50</b>
<b>23</b>	<b>Purchase of finished stock</b>	(INR in Lakhs)	
	<b>Particulars</b>	<b>For the year ended 31st March 2025</b>	<b>For the year ended 31st March 2024</b>
	Finished Goods	763.45	-
	<b>Total</b>	<b>763.45</b>	<b>-</b>
<b>24</b>	<b>Change in Inventories</b>	(INR in Lakhs)	
	<b>Particulars</b>	<b>For the year ended 31st March 2025</b>	<b>For the year ended 31st March 2024</b>
	Finished Goods	(763.45)	-
	India Ports Global Chabahar free zone (finished Goods)	8.14	-
	<b>Total</b>	<b>(755.31)</b>	<b>-</b>
<b>25</b>	<b>Direct Expenses</b>	(INR in Lakhs)	
	<b>Particulars</b>	<b>For the year ended 31st March 2025</b>	<b>For the year ended 31st March 2024</b>
	Subcontractors costs	1,101.29	421.56
	Fixed Rental & Other Costs	77.88	416.96
	Maintenace and fuel costs	67.41	35.18
	Insurance Cost of Short Lease Contract with Port	6.90	12.64
	<b>Total</b>	<b>1,253.48</b>	<b>886.33</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

<b>26</b>	<b>Employee Benefits Expenses</b>	<b>(INR in Lakhs)</b>	
	<b>Particulars</b>	<b>For the year ended 31st March 2025</b>	<b>For the year ended 31st March 2024</b>
	Salaries and Wages	538.69	343.27
	Contribution to Provident fund	19.49	28.52
	Gratuity	4.53	2.61
	Staff Welfare Expenses	26.55	18.17
	National Pension Scheme	5.42	2.97
	Contribution for Employee on Deputation	8.62	5.54
	Employee termination pay	2.11	-
	<b>Total</b>	<b>605.41</b>	<b>401.08</b>
<b>27</b>	<b>Finance Costs</b>	<b>(INR in Lakhs)</b>	
	<b>Particulars</b>	<b>For the year ended 31st March 2025</b>	<b>For the year ended 31st March 2024</b>
	Interest expense for leasing arrangements	16.80	17.92
	Other Finance Cost	-	2.31
	Interest Expense on security Deposit	-	1.56
	<b>Total</b>	<b>16.80</b>	<b>21.79</b>
<b>28</b>	<b>Depreciation and Amortization</b>	<b>(INR in Lakhs)</b>	
	<b>Particulars</b>	<b>For the year ended 31st March 2025</b>	<b>For the year ended 31st March 2024</b>
	Depreciation on Property, Plant and Equipment (refer note 3)	2,339.64	2,842.94
	Depreciation of right-of-use assets(refer note 3)	98.68	99.51
	Amortization of Intangible Assets (refer note 5)	1.08	0.72
	<b>Total</b>	<b>2,439.40</b>	<b>2,943.17</b>
<b>29</b>	<b>Other Expenses</b>	<b>(INR in Lakhs)</b>	
	<b>Particulars</b>	<b>For the year ended 31st March 2025</b>	<b>For the year ended 31st March 2024</b>
	Advertisement Expense	54.03	150.94
	Outsourcing Staff Expenses	44.89	31.83
	Communication Expenses	3.21	1.96
	Legal and Professional Charges	180.66	171.73
	Office Expense	35.00	17.93
	Office Rent Expense	45.63	24.19
	Payment to Auditor(Refer Note: 29 A)	3.48	3.35
	Power/Electricity and Fuel Expense	11.22	11.41
	Printing & Stationery Expense	2.72	1.10
	Repair & Maintenance Expense	77.36	70.17
	Travelling & Conveyance Expense	121.22	96.95
	Recruitment Agency Contract Act	56.58	25.76
	TA/DA Allowance	8.23	32.51
	Meeting & Conference	7.03	38.97
	Bank charges	433.18	0.42
	Internet and website charges	6.43	0.49
	Vehicle hiring charges	10.40	7.23
	Rates & Taxes	86.00	88.48
	Lease Expenses	5.64	3.94
	Port Expenses	564.05	3.83
	General & Admin Expenses-Myanmar Branch	40.57	-
	Repair and maintenance of MHCs	358.81	81.10
	Training Expenses	-	24.77
	Penalty for late payment of stamp duty expenses	-	0.13
	Letter of Credit	1.50	-
	CSR Expenses	40.53	19.71
	Interest on income tax & tds	5.23	-
	Petty reception and hosting	6.60	-
	Miscellaneous/Other Expense	63.99	4.34
	<b>Total</b>	<b>2,274.19</b>	<b>913.24</b>



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

Notes to the Consolidated Financial Statements for the year ended 31st March 2025

**Note 29A: Details of Payment to Auditors**

Payment to the Auditors comprises of the following:

Particulars	(INR in Lakhs)	
	For the year ended 31st March 2025	For the year ended 31st March 2024
<b>Payment to Auditor</b>		
<b>Auditor:</b>		
Sagarmala Finance Corporation Limited	2.37	2.29
India Ports Global Limited	1.11	1.06
<b>Total</b>	<b>3.48</b>	<b>3.35</b>

**30 Exceptional Items**

Particulars	(INR in Lakhs)	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Accounts Payable Written Back *	59.13	-
<b>Total</b>	<b>59.13</b>	<b>-</b>

\* The Company has written back the outstanding balances of various suppliers due to long outstanding / receipt of no claims , and kept memoranda account of same so that in case same is claimed in future it will be paid after approval of competent authority.

**31 Taxes**

**31.1 Income tax recognised in profit and loss**

Particulars	(INR in Lakhs)	
	For the year ended 31st March 2025	For the year ended 31st March 2024
<b>Current Income Tax Expenses</b>		
Current Tax on profits for the years	1,482.98	842.36
Adjustments in respect of current income tax of previous year	0.72	58.54
<b>Total Current Tax Expenses</b>	<b>1,483.70</b>	<b>900.90</b>
<b>Deferred Income Tax Expense</b>		
In respect of the current year	(146.81)	(7.84)
<b>Total Deferred Tax Expenses</b>	<b>(146.81)</b>	<b>(7.84)</b>
<b>Income tax expenses attributable to continuing operations</b>	<b>1,336.89</b>	<b>893.06</b>

**31.2 Tax related to items recognised in OCI during the year:**

Particulars	(INR in Lakhs)	
	For the year ended 31st March 2025	For the year ended 31st March 2024
On fair valuation of investment & defined benefit plan	0.25	-
<b>Income tax charged to OCI</b>	<b>0.25</b>	<b>-</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**31.3 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2025 and 31st March 2024:**

	(INR in Lakhs)	
Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Accounting profit before tax from continuing operations	5,310.94	4,898.73
Profit/(loss) before tax from a discontinued operation		-
<b>Accounting profit before income tax</b>	<b>5,310.94</b>	<b>4,898.73</b>
At India's statutory income tax rate of 25.17% (31st March 2024 25.17% )	1,336.66	816.76
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income</b>		
Add/less : Tax effect due to Deductible & Non Deductible expenses(Net) and other items	145.08	25.59
Tax expenses for previous year recognised	(146.09)	50.70
<b>At the effective Income Tax rate of 25.17% (31st March 2024 25.17% )</b>	<b>1,335.65</b>	<b>893.05</b>
Income Tax expenses reported in statement of profit and loss for current year	1,336.89	893.06
<b>Income tax expenses reported in statement of Profit and loss</b>	<b>1,336.89</b>	<b>893.06</b>

**Note Components of Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Remeasurements of defined benefit plans	-	-
Tax component of remeasurements of defined benefit obligation	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**32 Components of Other Comprehensive Income**

(INR in Lakhs)

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
<b><u>Items that will not be reclassified to Profit &amp; Loss</u></b>		
Fair Valuation of Investment	(234.00)	1,044.00
Fair Valuation of Defined Benefits Plan	(0.99)	-
	<b>(234.99)</b>	<b>1,044.00</b>
<b><u>Items that will be reclassified to Profit &amp; Loss</u></b>		
Re-measurement of investment in Equity investment	-	-
Remeasurements of defined benefit plans	-	-
Tax component of remeasurements of defined benefit obligation	-	-
	<b>-</b>	<b>-</b>
Exchange differences in translating the financial statements of a foreign operation	(34.95)	29.82
Tax component of exchange differences	-	-
	<b>(34.95)</b>	<b>29.82</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**33 Earnings per share (EPS)**

Particulars	For the year ended 31st March 2025 (per share)	For the year ended 31st March 2024 (per share)
<b>Basic EPS</b>		
From continuing operation	0.97	0.89
<b>Diluted EPS</b>		
From continuing operation	0.97	0.89

**33.1 Basic Earning per Share**

Basic EPS are calculated by dividing the profit for the year attributable to equity holders of the company by weighted average number of equity shares outstanding during the year

The earning and weighted average number of equity share used in calculation of basic earning per share:

	(INR in Lakhs)	
Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Profit attributable to equity holders of the company (Rs. In lakhs)	9,686.41	8,891.63
Earnings used in calculation of Basic Earning Per Share (Rs. In lakhs)	9,686.41	8,891.63
Weighted average numbers (In Lakhs) of shares for the purpose of basic earnings per share	10,000.00	10,000.00

**33.2 Diluted Earning per Share**

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

	(INR in Lakhs)	
Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Profit attributable to equity holders of the company (Rs. In lakhs)	9,686.41	8,891.63
Earnings used in calculation of diluted earning per share (Rs. In lakhs)	9,686.41	8,891.63

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

	(INR in Lakhs)	
Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Weighted average number (in Lakhs ) of Equity shares used in calculation of basic earnings per share	10,000.00	10,000.00
<b>Effect of dilution:</b>		
Potential number of Equity Shares	-	-
Weighted average number (in Lakhs) of Equity shares used in calculation of diluted earnings per share	10,000.00	10,000.00



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**34 Capital management**

For the purpose of the group's capital management, capital includes issued equity capital, equity component of convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. Bank overdraft and loan from holding company was repaid during the previous year and the company has no borrowing as on 31st March 2025.

The group believes that the working capital is sufficient to meet its current requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2025 and 31 March 2024

**35 Fair Value Measurements**

(i) The carrying amount of financial Instruments by Category are as follow:

Particulars	(INR in Lakhs)					
	As at 31st March 2025			As at 31st March 2024		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
(i) Investments	-	1,850.00	57,195.56	-	1,040.00	58,190.81
(ii) Security Deposits	-	-	88.50	-	-	85.56
(iii) Non-Current - Other Financial Assets	-	-	663.84	-	-	21,341.98
(iv) Trade Receivables	-	-	724.62	-	-	292.26
(v) Cash and cash equivalents	-	-	55,128.15	-	-	12,512.40
(vi) Bank Balances other than (v) above	-	-	61,403.20	-	-	39,780.42
(vii) Other financial assets	-	-	1,812.39	-	-	2,209.46
<b>Total Financial Assets</b>	<b>-</b>	<b>1,850.00</b>	<b>177,016.27</b>	<b>-</b>	<b>1,040.00</b>	<b>134,412.88</b>
<b>Financial Liabilities</b>						
(i) Lease Liabilities	-	-	479.99	-	-	231.41
(ii) Short Term Borrowings	-	-	-	-	-	-
(iii) Other financial liabilities	-	-	1,826.24	-	-	1,429.65
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>2,306.23</b>	<b>-</b>	<b>-</b>	<b>1,661.06</b>

(i) The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets are considered to the same as their fair values, due to short term nature.

(ii) The fair value of security deposits were calculated based on discounted cash flows using average interest rate of bank deposits. They are classified as level 3 fair values in fair value hierarchy due to the inclusion of unobservable inputs.

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

(iii) Investment in Calcutta Haldia Road Company Limited has been valued based on valuation certificate received from an Independent valuer registered with IBBI valuer has arrived at fair value using DCF valuation method. Valuation of investment is made on the basis of future estimated cash flows.

**Fair Value of financial assets and liabilities that are measured at fair value (But fair value disclosures are required)**

**Fair Value hierarchy as on 31st March 2025**

(INR in Lakhs)

Particulars	As at 31st March 2025		As at 31st March 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Security Deposits	88.52	85.62	85.56	72.54
<b>Total Financial Assets</b>	<b>88.52</b>	<b>85.62</b>	<b>85.56</b>	<b>72.54</b>

**Fair Value hierarchy as on 31st March 2025**

(INR in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets at Amortized Cost</b>				
Security Deposits	-	-	85.62	85.62
	-	-	85.62	85.62

**Fair Value hierarchy as on 31st March 2024**

(INR in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets at Amortized Cost</b>				
Security Deposits	-	-	72.54	72.54
	-	-	72.54	72.54

**36 Financial risk management**

The Group is exposed to various risk in relation to financial instruments. The Group is expose to market risk, credit risk and liquidity risk. The Group financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives, which are summarized below:-

**a) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk and foreign currency risk. The company does not have any interest rate risk since the company does not have any loans/borrowings as on reporting date.

**b) Foreign Currency risk**

The exchange fluctuation is due to import of services for project related work from outside India from time to time. Company does not have any hedging instruments to cover foreign exchange risk.

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**c) Credit risk**

Credit risk refers to the risk of defaults on its obligation by the counterparty resulting in a financial loss. The company is exposed to credit risk for various financial instruments for example advance to employees, security deposits, loans and other receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

The Group's key objective is to maintain a strong culture of responsible lending, and robust risk policies and control frameworks. The Group considers various factors such as credit history, borrower's profile, security cover, which provide an assessment of the borrower's ability-to-pay and willingness-to-pay. While the techniques used for assessment vary across product-segments, the credit principles remain a common factor.

Particulars	(INR in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
<b>Trade Receivables</b>		
Gross carrying amount of financial assets	724.62	300.48
Expected credit losses	-	(8.22)
<b>Carrying amount net of impairment provision</b>	<b>724.62</b>	<b>292.26</b>
<b>Other Non-Current Financial Assets</b>		
Gross carrying amount of financial assets	88.50	85.56
Expected credit losses	-	-
<b>Carrying amount net of impairment provision</b>	<b>88.50</b>	<b>85.56</b>

**d) Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.

**e) Liquidity risk**

Group manage its liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirement are compared to available cash in order to determine any shortfalls. Short term liquidity requirements consists mainly of expenses payable for project related work, employees dues, security deposits arising during the normal course of business as of each reporting date. Group maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March 2025 and 31st March 2024

Particulars	(INR in Lakhs)		
	As at 31st March 2025		
	Less than 1 Year	1-2 years	2 Years and above
Lease Liabilities	116.17	29.39	-
	<b>116.17</b>	<b>29.39</b>	<b>-</b>

Particulars	(INR in Lakhs)		
	As at 31st March 2024		
	Less than 1 Year	1-2 years	2 Years and above
Lease Liabilities	110.64	116.17	29.39
	<b>110.64</b>	<b>116.17</b>	<b>29.39</b>



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**37 Contingent Liabilities and Capital Commitments**

Company was required to pay stamp duty on issue of shares, however there are pending payments for the same, company is not in position to deposit the dues since hearing is pending with revenue department of Delhi Government. Penalty arising due to this is not quantifiable as on Balance Sheet date. Further contingent liability in respect of bills related to Project Management Consultant appointed at Shipping Ministry office is Rs.56.52 Lakhs

<b>In case of Subsidiary Company</b>		<b>(INR in Lakhs)</b>	
<b>Particulars</b>		<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
(I) Contingent Liabilities		-	-
(a) Claims against the group not acknowledged as debt		-	-
(b) Guarantees excluding financial guarantees		-	-
(c) Other money for which the group is contingently liable		-	-
- Due towards arrears of office rent		124.45	104.04
- Due towards 3rd Pay Revision of Salary		110.58	88.75
- Bank Guarantee Furnished by IPGCFZ		-	85.20
<b>Total</b>		<b>235.03</b>	<b>277.99</b>

i) According to the 3rd Pay Revision Committee Report dated 21/11/2016, Company intends to revise the pay of its employees. This revision in pay was made applicable from 01/01/2017. As per the due and drawn statement the liability of the Company to pay the arrears are disclosed as contingent liability, Approval pending from board and Ministry.

ii) Mumbai Port Authority vide letter dated 18.10.2021 sought increase in office rent from 14.05.2018. Estimated cost due to increase as per the letter, works out to Rs. 155.69 Lakhs. IPGL vide letter dated 13.05.2022 requested MPA to charge rent as charged to other entities under MoPSW and as per these rates, increase works out to Rs.31.24 Lakhs, which has been provided till 31st march 2025, which has been accounted till date. Balance amount of Rs. 124.45 Lakhs is shown as contingent liability which will arise if MPA do not accept our request.

**38 Foreign currency transactions**

**In case of Subsidiary Company**

The year end foreign currency exposures that have not been hedged by a derivative instrument or

(a) Expenditure in Foreign Currency on account of the following :

<b>Particulars</b>	<b>Foreign Currency</b>	<b>As at 31st March 2025</b>		<b>As at 31st March 2024</b>	
		<b>Amount in Foreign Currency</b>	<b>₹ in Lacs</b>	<b>Amount in Foreign Currency</b>	<b>₹ in Lacs</b>
Creditors for capital goods	EURO	1,230,377.04	1,099.18	27,096.77	23.83

**39 Government Grant**

**In case of Subsidiary**

**A. Background and Policy**

The Company receives grants from the Ministry of External Affairs (MEA), Government of India, primarily for activities related to the Chabahar Port Project and other designated infrastructure projects. These grants are recognised and classified in accordance with Ind AS 20 – Accounting for Government Grants and Disclosure of Government Assistance, based on their nature and terms of utilisation.

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**B. Reclassification of Prior Period Grant**

During FY 2024–25, the Company reclassified grants from Capital Reserve to Deferred Government Grant, following a reassessment that the grant qualifies as asset-related government assistance under Ind AS 20 – Accounting for Government Grants and Disclosure of Government Assistance. The amount pertains to funds received from the Government of India for the procurement of capital equipment for the Chabahar Port Project.

This reclassification represents the prior-period adjustments has been accounted for in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The reclassified amount is now being amortised to the Statement of Profit and Loss over the useful lives of the related assets.

**C. Asset-Related Government Grant – Movement**

Particulars	₹ in lakh
Opening balance of deferred government grant (non-current & current) – 01st April,	12,805.73
Reclassification from Capital Reserve *	19,884.01
Add: Government grant received during the year	40,457.00
Add: Grant earned and receivable from MEA (Myanmar Branch)	105.36
Total deferred government grant	<b>73,252.10</b>
Amortised to Statement of Profit and Loss (matched to depreciation of related MHC	(2,317.84)
Revenue grant for reimbursement of expenses of FY 2024-25	(1,670.29)
<b>Closing balance of deferred government grant (non-current &amp; current) – 31st</b>	<b>69,263.98</b>
Non-Current Liability – Deferred Government Grant	<b>67,365.67</b>
Current Liability – Deferred Government Grant	<b>1,898.31</b>

**D. Revenue-Related Government Grant – Recognition and Adjustment**

As per Office Memorandum dated 15.06.2021 and letters from MoPSW and MEA, preliminary expenses related to the Chabahar Port Project are eligible to be recouped from the approved Annual Revenue Expenses (ARE) grant of USD 22.95 million. Based on this, IPGL recognised a revenue grant of ₹1,376.40 lakh for reimbursement of net expenses incurred from FY 2015–16 to FY 2023–24, transferred from capital reserve.

In FY 2024–25, the Company also received new grant of ₹40,457.00 lakh from MEA for providing services of Management, Operation & Maintenance of Chabahar Port & IWT Terminal at Sittwe and IWT Terminal at Paletwa under Kaladan Multi-Modal Transit Transport Project, IPGL recognised a revenue grant of ₹1,670.29 lakh for reimbursement of net expenses incurred from FY 2024–25, transferred from deferred government grant.

**40 Use of Grant Funds for IPGL Expenditure**

**In case of Subsidiary**

As per Office Memorandum issued by Ministry of External Affairs (MEA) on 15.06.2021 addressed to Ministry of Ports, Shipping and Waterways (MoPSW), it is stated that Empowered Committee has already approved inclusion of preliminary expenses related to Chabahar Port Project from already approved ARE (Annual Revenue Expenses) of USD 22.95 million. It was also mentioned that break up of utilization of earlier released funds should be submitted by bifurcating amount in Equipment procurement and Annual Revenue Expenses. MoPSW vide letter dated 24.06.2021, directed IPGL to take further action in the matter relating to preliminary expenses.

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

IPGL has been incurring all expenses in connection with Chabahar Port Project and all expenses incurred till date are in the nature of preliminary expenses in connection with Chabahar Port Project. Hence, all preliminary expenses are eligible to be reimbursed out of already approved ARE of USD 22.95 million as per OM dated 15.06.2021.

A clear clarification was sought from MEA as well as MoPSW in this regard. MoPSW vide message dated 10.08.2022 clarified that OM dated 15.06.2021 by MEA is very clear and same to be followed in letter and spirit. The letter further states that an appropriate submission of break up of utilization as mentioned in para C of OM dtd 15.06.2021 to be ensured. IPGL has considered net expenses (Gross expenses less operating and non operating / Other income) from for the 2024-25 to work out quantum of expenditure to be recouped out of grant as revenue grant.

The grant received from MEA for Chabahar Port Project till 31.03.2025 has been credited as deferred government grant. As per direction of OM dated 15.06.2021 by MEA and letter dated 24.06.2021 by MoPSW, IPGL has debited deferred government grant by Rs. 3,046.69 Lakhs (including Rs. 1,376.40 Lakhs pertaining to net expenses upto year 31.03.2024) and credited equal amount to Revenue Grant from MEA as Other Income. This amount represents the amount of expenses incurred from 2015-16 to 2024-25, net of operating Income and non operating / Other income.

#### 41 Revenue Recognition

In case of Subsidiary Company, Revenue grant is accounted after the receipt of the grant and upon receipt of approval from the competent authority, to the extent of expenses incurred by the parent company (Net of operating income) during the year, in accordance with guidelines from the ministry.

#### 42 Segment reporting

The Group's major activity is of construction and development of ports, its common facilities and equipping and operation of terminals for port activities. The Group does not have more than one reportable segment as reviewed by its Chief Operating Decision Maker ('CODM') as per Ind AS 108 'Operating Segments' and hence no segment reporting is done. During the year, group has generated operating revenue from its clients situated in India and Iran.

#### 43 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	(INR in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	31.41	11.06
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
<b>Total</b>	<b>31.41</b>	<b>11.06</b>



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**44 Related Party Disclosures**

**44.1 Related Parties**

**(a) Key Managerial personnel of the entity**

Name	Position
Ministry of Ports, Shipping & Waterways; Government of India	Significant control over entities
Sh. T. K. Ramachandran ( Appointed w.e.f. 19.06.2023)	Chairman & Director
Sh. Dilip Kumar Gupta (Director w.e.f. 06.07.2018)	Managing Director
Sh. Ananga Charan Nayak Director -(Fin) (w.e.f. 13.02.2023)	
(Given additional charge of Director (Proj) (w.e.f. 08.11.2024) & CFO (w.e.f. 29.03.2023)	Director Finance , CFO & Director Proj.
Sh. Bhushan Kumar (w.e.f 16.06.2020 to 27.05.2024)	Nominee Director
Sh. Sushil Kumar (w.e.f. 14.11.2022 to 01.08.2024)	Nominee Director
Sh. R. Lakshmanan (w.e.f 27.05.2024)	Nominee Director
Sh. Venkatesapathy S. (w.e.f 01.08.2024)	Nominee Director
Dr. Rachna Agarwal (w.e.f. 10.12.2021 to 09.12.2024)	Independent Director
Dr.Yogesh Jentibhai Badani (w.e.f. 10.12.2021 to 09.12.2024)	Independent Director
Sh. Maanas Srivastava (w.e.f. 08.08.2023)	Company Secretary

**In case of Subsidiary Company**

Mr Sunil Mukundan (Joined on 15.03.2022)	Managing Director
Mr. Nitin Shah	Company Secretary
Mr.H H Najafabadi	Managing Director of IPGCFZ

**(b) Other related party**

Name	Principal Place of Operation	Proportion of Ownership Interest	
		As at 31st March 2025	As at 31st March 2024
<b>Subsidiary</b>			
M/S India Port Global Limited	India	100%	100%
<b>Associates</b>			
M/S Krishnapatnam Railway Company Limited	India	20.00%	20.00%
Haridaspur Paradip Railway Company Limited	India	25.91%	25.91%
Vishakhapatnam Port Road Company Limited	India	25.87%	25.87%
Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited	India	49.00%	0.00%
<b>Others</b>			
Calcutta Haldia Port Road Company Limited	India	3.28%	3.28%

**44.2 Transactions and balances with related parties:**

**Compensation of key management personnel:**

The remuneration of directors and other members of key management personnel during the year was as follows:

Particulars	(INR in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
Short-term benefits	114.93	115.86
Post-employment benefits	14.28	7.00
Contribution to Defined Contribution Plan	15.19	5.54
Sale of fixed assets	0.14	-
<b>Total</b>	<b>144.54</b>	<b>122.86</b>

**Investment in Associate**

Particulars	(INR in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
Capital Contribution in 49% share capital of Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited (49,000 shares of Rs.10 each)	4.90	-
<b>Total</b>	<b>4.90</b>	<b>-</b>

**Dividend from Subsidiary/Associate**

Particulars	(INR in Lakhs)	
	As at 31st March 2025	As at 31st March 2024
Dividend from M/s Haridaspur Paradip Railway Company Limited	2,020.73	-
Dividend from M/s Vishakhapatnam Port Road Company Limited	460.00	430.00
<b>Total</b>	<b>2,480.73</b>	<b>430.00</b>

**In case of Subsidiary Company**

Gross Remuneration of Sh. Nitin Shah	16.82	15.80
Gross Remuneration of Mr. H H Najafabadi	35.41	31.90
Gross Remuneration of Mr. Sunil Mukundan	62.98	55.68
Amount Transferred for Operating Expenses-IPGCFZ	10.00	-
Amount transfered for capex-IPGCFZ	45,000.00	-
Amount Transferred for Operating Expenses-Myanmar (branch)	152.66	-
	<b>45,277.87</b>	<b>103.37</b>

**44.3 Transactions with the MoPSW**

Name	Nature of Transactions	(INR in Lakhs)	
		As at 31st March 2025	As at 31st March 2024
Ministry of Port, Shipping & Waterways; Government of India	Capital Contribution	-	9,000.00
	Receipts on behalf of MoPSW on re-imburseable basis during the year	692.25	393.14
	Payments on behalf Of MoPSW on re-imburseable basis	378.85	353.90
		<b>1,071.10</b>	<b>9,747.04</b>
<b>Balance recoverable from MoPSW</b>		<b>96.26</b>	<b>409.65</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)  
Notes to the Consolidated Financial Statements for the year ended 31st March 2025

**45 Disclosures under Ind AS-116**

a) Holding company has taken its office on the Operating Lease from the Indian City Property Limited. Total lease period of the office is 5 years (i.e.) 11th July 2023 to 10th July 2028 with the minimum lock in period of the three years. License fees agreed to be paid during the lease period is Rs. 8.89 Lakhs per month plus applicable rate of the GST. Licence fees shall be escalated @ 5% after every year. As per the terms of the lease agreement, subject to the lock in period (i.e. 3years) licensee shall have an option to terminate the agreement by serving the prior three months notice in advance. Licensee can also terminate the agreement during the lock in period, however in that case it shall be bound to pay an amount equivalent to the license fees for the remaining lock in period.

**b) Movement in Right of use assets-Office Building**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Opening Balance as to the beginning of the year	224.68	28.14
Additions during the year	-	296.05
Depreciation charge during the year	98.68	99.51
<b>Closing Balance as on the end of the year</b>	<b>126.00</b>	<b>224.68</b>

**c) Movement in Lease Liability**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Opening Balance as to the beginning of the year	231.41	37.08
Additions during the year	342.49	296.05
Interest recognised during the year	16.80	17.92
Payment made during the year/total cash outflow for the leases	110.71	119.64
<b>Closing Balance as on the end of the year</b>	<b>479.99</b>	<b>231.41</b>

**d) Lease Liabilities are presented in the Balance sheet are as follows:-**

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Current	451.02	94.06
Non-Current	28.97	137.35
<b>Total</b>	<b>479.99</b>	<b>231.41</b>

e) As at 31st March 2024 the Group has not committed to any leases which has not been yet commenced.

Ind AS 116 is related to Leases accounting. As per para 9 of Ind AS 116 the Company determines at the inception of a contract, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As per para B9 of Ind AS 116, the right to control the use is identified if the right to obtain substantially all of the economic benefits from use of the identified asset and the the right to direct the use of the identified asset over the lease term.

As per para 18 of Ind AS 116, the lease term is the non-cancellable period of a lease, together with both (a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and (b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

The Company has exercised the option not to apply the new recognition requirements to short-term leases and to leases of low-value asset as per para 5 of Ind AS 116.

The group has entered into leasing arrangements vide letter no CER/3-1/7027 Dated 28.01.2016 for premises. All the leased properties are short-term leases and hence the company has exercised the option to not apply Ind AS 116 to the leased premise.

(INR in Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
Expense relating to short-term leases	45.63	24.19

g) Interest expenses in relation to leasing activities refer note no-27

h) Expenses related to the variable lease payments are Nil.

i) Income from subleasing of the right of use assets is not applicable to the Group

j) Gain/loss from sale and leaseback transactions is not applicable to the Group.

**46 Impairment of Assets**

In term of Ind AS 36 Company must conduct an impairment test whenever there are indicators that an asset may be impaired. At the Balance Sheet date there are no indication of impairment of assets and investment.

**47 Disclosures for Employee Benefits as required under Ind AS- 19 'Employee Benefits(In case of Holding Company)**

**Actuarial Assumptions**

S. No.	Particulars	As at 31st March 2025	As at 31st March 2024
(i)	Discount rate(per annum)	6.80%	7.09%
(ii)	Mortality Rate	IALM 2012-14	IALM 2012-14
(iii)	Expected Return on assets	-	-
(iv)	Salary Escalation	7.00%	7.00%
(v)	Attrition Rate	1.00%	1.00%
(vi)	The estimate of future liability increases considered in actuarial valuation, takes into account inflation rate, seniority, promotion and other relevant factors.		

**(a) Total defined benefit cost recognized in statement of Profit or Loss and Other Comprehensive Income**

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Service Cost	5.33	2.61	7.79	10.42	1.86	8.70
Net Interest Cost	0.19	-	0.98	-	0.70	-
Past Service Cost	-	-	-	-	-	-
Administration Expenses	-	-	-	-	-	-
Actuarial (Gain)/Loss	0.99	-	1.65	-	0.03	-
(Gain)/Loss due to Settlements/Curtailments/Terminations/Di vestitures	-	-	-	-	-	-
<b>Total</b>	<b>6.51</b>	<b>2.61</b>	<b>10.42</b>	<b>10.42</b>	<b>2.59</b>	<b>8.70</b>

**(b) Defined contribution plans:**

Expenses related to defined contribution plans Fund is recognised as an expense and included in employee benefits expense in the Statement of Profit and Loss.

(Rs. In Lakhs)

Particulars	For the Period From 1st April, 2024 to 31st March, 2025	For the Period From 1st April, 2023 to 31st March, 2024
1. Provident Fund Account	13.88	9.41
2. National Pension Scheme	21.56	NIL

**(c) Net Asset/Liability Recognised in Balance Sheet**

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Present Value of Defined Benefit Obligation	9.12	2.61	23.98	14.16	12.65	10.06
Current Benefit Obligation	0.37	0.01	0.64	0.40	0.36	-
Non-Current Benefit Obligation	9.08	2.60	23.34	13.76	12.29	10.06

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

**(d) Change in Obligation over the period ending on**

Particulars	Gratuity		Leave Encashment		Half Pay Leave	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Defined Benefit Obligation, Beginning of Period	2.61	-	14.16	-	10.06	-
Net Current Service Cost	5.33	2.61	10.42	10.42	2.59	8.70
Interest Cost on DBO	0.19	-	-	-	-	-
Actuarial (Gains)/Losses	0.99	-	-	-	-	-
Acquisition/Business Combination/Divestiture	-	-	-	3.74	-	1.36
Benefits Paid	-	-	(0.60)	-	-	-
Defined Benefit Obligation, End of Period	<b>9.12</b>	<b>2.61</b>	<b>23.98</b>	<b>14.16</b>	<b>12.65</b>	<b>10.06</b>

**47.1 Disclosures for Employee Benefits as required under Ind AS- 19 'Employee Benefits (In case of Subsidiary Company)**

The summarized position of Post-employment benefits and long term employee benefits recognized in the statement of Profit & Loss and Balance Sheet are under:-

**(a) National Pension Scheme**

**(INR in Lakhs)**

Contribution to Defined Contribution Plan includes National Pension Scheme. The expenses recognised for the year are as under :

Particulars	As at 31st March 2025	As at 31st March 2024
National Pension Scheme	5.42	2.97

**(b) Gratuity**

The group operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

**47.2 Change in the present value of the obligation**

**(INR in Lakhs)**

Particulars	As at 31st March 2025	As at 31st March 2024
Opening Present value of obligation	6.36	4.93
Interest Cost	1.17	0.36
Current service cost	0.45	0.87
Past service cost including curtailment gains/losses	-	-
Benefits paid	-	-
Actuarial (Gains) on Obligations - Due to Change in Financial Assumptions	0.36	0.16
Actuarial Losses on Obligations - Due to Experience	(0.04)	0.04
<b>Closing Present value of obligation</b>	<b>8.30</b>	<b>6.36</b>

**Changes in the fair value of plan assets**

	As at 31st March 2025	As at 31st March 2024
Fair value of plan assets at the beginning of year	-	-
Interest Income	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain on Plan assets, Excluding Interest Income	-	-
Fair value of plan assets at the end of year	-	-

**47.3 Change in the present value of the defined benefit obligation and fair value of plan assets**

**(INR in Lakhs)**

Particulars	As at 31st March 2025	As at 31st March 2024
Estimated present value of obligations at end of the year	(8.30)	(7.79)
Funded Status	(8.30)	(7.79)
Net liability recognized in balance sheet	<b>(8.30)</b>	<b>(7.79)</b>

**Change in Assets during the year ended 31st March,2025**

	As at 31st March 2025	As at 31st March 2024
Plan assets at the beginning of the year.	-	-
Expected return on plan assets	-	-
Contributions by Employer	-	-
Actual benefits Paid	-	-
Plan assets at the end of the year.	-	-
Actual return on plan assets	-	-

**47.4 Expense recognized in the statement of Profit & Loss Account**

**(INR in Lakhs)**

Particulars	As at 31st March 2025	As at 31st March 2024
Current service cost	0.45	0.87
Interest Cost	1.17	0.36
Total expenses recognized in Profit & Loss Account	<b>1.62</b>	<b>1.23</b>

**47.5 Re-measurement recognized in other comprehensive income**

**(INR in Lakhs)**

Particulars	As at 31st March 2025	As at 31st March 2024
Actuarial gain/ (loss) for the year on Asset	0.32	0.20
Actuarial gain/ (loss) for the year on PBO	0.32	0.20
Total actuarial gain/(loss) included in other comprehensive income	0.32	0.20

**47.6 Balance Sheet Reconciliation**

**-**

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Opening net liability</b>	<b>6.36</b>	<b>4.93</b>
Expenses recognized in Statement of Profit and Loss	1.62	1.23
Expenses / (Income) recognized in OCI	0.32	0.20
<b>Net liability recognized in the Balance Sheet</b>	<b>8.30</b>	<b>6.36</b>



**SAGARMALA FINANCE CORPORATION LIMITED**  
(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)  
Notes to the Consolidated Financial Statements for the year ended 31st March 2025

**47.7 Principal actuarial assumption as expressed as weighted average**

Particulars	As at 31st March 2025	As at 31st March 2024
Discount rate	6.80%	7.25%
Rate of Employee Turnover	3.00%	3.00%
Expected rate of salary increase	3.00%	3.00%
Mortality Rate during employment	Indian Assured Lives (2012-14)	Indian Assured Lives (2012-14)
Method used	Projected Unit Credit Method	Projected Unit Credit Method

**47.8 Other Details**

	Sensitivity to key assumptions	As at 31st March 2025	As at 31st March 2024
i)	Discount rate Sensitivity		
	Increase by 1.0%	753,662.00	576,407.00
	(% change)	9.23%	-9.39%
	Decrease by 1.0%	918,154.00	704,959.00
ii)	Salary growth rate Sensitivity		
	Increase by 1.0%	871,015.00	667,809.00
	(% change)	4.91%	4.97%
	Decrease by 1.0%	779,320.00	581,861.00
iii)	Withdrawal rate (W.R.) Sensitivity		
	W.R. x 110%	841,085.00	645,398.00
	(% change)	1.30%	1.45%
	W.R. x 90%	819,117.00	626,653.00
	(% change) -1.70% -1.76%	1.34%	-1.50%

**Compensated Absences**

The actuarially determined liability for compensated absences of accumulated leaves of the employees of the Group is given below:

Particulars	As at 31st March 2025	As at 31st March 2024
Total actuarial liability	36.33	31.25
<b>Assumptions:</b>		
Discount rate	6.80%	7.25%
Salary escalation rate	3.00%	3.00%

**48 Dividend paid by holding Company for Equity Shares of ₹ 10/- each**

Particulars	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	Dividend per Equity Share	Dividend Amount	Dividend per Equity Share	Dividend Amount
	(In INR)	(In INR Lakhs)	(In INR)	(In INR Lakhs)
Interim Dividend	0.035	350.00	-	-
<b>Total Dividend</b>		<b>350.00</b>		<b>-</b>

**49 Corporate Social Responsibility**

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by MCA, the company has undertaken activities as per CSR policy.

Particulars	As at 31st March 2025	As at 31st March 2024
(i) Amount required to be spent by the company during the year *	31.06	19.71
(ii) Amount of expenditure incurred on:-		
(a) Construction / acquisition of any asset	-	-
(b) On purposes other than (a) above	40.53	19.71
(c) Contribution to four funds as mentioned in Schedule VII of the Companies Act, 2013	-	-
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reasons for shortfall	0.00	-
(vi) Nature of CSR activities (Donation to Indian Maritime University)	40.53	-
(vi) Details of related party transactions	-	19.71
(vii) Amount related to financial year	31.06	-
(viii) Amount to be carried forward to be set-off against next year expenditure	9.47	-

**50 Grant of Non Banking Finance Corporation (NBFC) License and Change in Name of Company**

Reserve Bank of India on June 19, 2025 permitted the company to commence and carry on the business of NBFC subject to certain conditions. The company is in process of fulfilling the conditions. Further vide Ministry of Corporate Affairs, confirmation dated June 05, 2025 name of the Company changed from Sagarmala Development Company Limited to Sagarmala Finance Corporation Limited.

**51 Central Nodal Agency (CNA) on behalf of Ministry of Ports, Shipping and Waterways**

The Company is acting as CNA on behalf of Ministry of Ports, Shipping and Waterways for implementing Central Sector Scheme. As a CNA, based on communication received from MoPSW, company is allocating / modifying limits of various Implementing Agencies under the Scheme. 'As per MoPSW letters dated 19.05.2022 and 22.06.2022, and Department of Expenditure Office Memorandum No. 1(18)/PFMS/FCD/2021 dated 09.03.2022, the following conditions and restrictions attached to the Central Nodal Account for the Central Sector Scheme.

1. The Central Nodal Account shall be maintained as a Zero Balance Savings Account (ZBSA) with a Scheduled Commercial Bank, for Sagarmala, R&D (Ports sector) and R&D (Shipping Sector) Schemes in Canara Bank.

2. SMFCL will keep all the funds received under Sagarmala Scheme, R&D (Ports sector) and R&D (Shipping Sector) Schemes in the Central Nodal Accounts only and shall not transfer the funds to any other account or not divert the same to Fixed Deposit, flex- account, Multi Option Deposit Account, Corporate Liquid Term Account etc. The funds released to CNA shall not be parked in bank account of any other agency.

3. The CNAs (Central Nodal Agencies) shall ensure that the interest earned from the funds released is mandatorily remitted to the Consolidated Fund of India in terms of Rule 230(8) of GFR, 2017. The interest component shall be distinctly reflected in the MIS provided by the banks.

4. Sagarmala Finance Corporation Limited, opened account as CNA Savings Account with Canara Bank in compliance with DOE OM dated 09.03.2022.

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**

**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

- 52 The Company is holding following CNA accounts on behalf of MoPSW and Interest earned in these accounts are remitted to consolidated fund of India as per the order of MoPSW and not recognized as Income of the Company:

Bank Account Number	Balance as at 31st March '25	Balance as at 31st March '24	Interest earned during FY 24-25	Interest earned during FY 23-24
110058011782	613.93	185.55	5.88	11.98
110054892407	107.46	13.23	1.68	1.62
110049661351	1421.75	6485.60	145.87	663.84

- 53 The Company has issued communication to various parties/vendors for their balance confirmation at the year end. However, confirmation has not been received only in some of the cases.
- 54 Amount in the financial statements are presented in ₹ Lakhs (upto two decimals) except for earning per share and as other-wise stated. Previous year figures have been regrouped , re-arranged, re-stated , re-classified wherever necessary.
- 55 **Change in Accounting Estimate - Useful Life of Computer Servers**  
During the year the Company has changed the accounting estimate without changing the policy related to "Property, plant and equipment" to the extent that the useful life of for one class of asset namely Computer Server from 3 years to 6 years. The impact on the profitability of the Company with regards to previous estimates and current estimates is given below:

(in INR Lakhs)		
Particulars	As per Revised Estimate	As per Existing Estimate
Revenue from Operations (I)	3,764.62	3,764.62
Other Income (II)	8,084.61	8,084.61
<b>Total Income (III = I + II)</b>	<b>11,849.23</b>	<b>11,849.23</b>
<b>EXPENSES:</b>		
Employee Benefits Expense	605.41	605.41
Finance Costs	16.80	16.80
Depreciation and Amortization Expense	2,439.40	2,440.39
CSR expenses	40.53	40.53
Other Expenses	3,495.28	3,495.28
<b>Total Expenses (IV)</b>	<b>6,597.42</b>	<b>6,598.41</b>
<b>Profit/(loss) before exceptional items and tax (V = III- IV)</b>	<b>5,251.81</b>	<b>5,250.82</b>
Exceptional Items (VI)	59.13	59.13
<b>Profit/(Loss) before tax (VII = V- VI)</b>	<b>5,310.94</b>	<b>5,309.95</b>
Impact on PBT due to change in accounting estimate [Increase/(Decrease)]	0.99	

56 **Other Disclosures**

- (i)The Group does not have any Benami property and further no proceeding has been initiated or pending against the company for holding any Benami property.
- (ii)The Group does not have any transactions with companies struck off.
- (iii)The Group does not have any charges or satisfaction which is to be registered with ROC.
- (iv)The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi)The Group has no loans and advances which are either repayable on demand or are without specifying any terms or period of repayment.
- (vii) The Group has not revalued its Property, Plant and Equipment and intangible Assets.

(viii) Disclosure of Ratios as required as under the Schedule- III:

Ratio	Numerator	Denominator	Current Year FY 24-25	Previous Year 23-24	% Variance	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	26.42	12.26	115.47%	Change in ratio due to change in decrease in cash and cash equivalent and other financial asset
Debt-equity Ratio	Total Debt	Shareholder's Equity	Not Applicable	Not Applicable	-	-
Debt service coverage ratio	Earnings available for debt service	Debt Service	Not Applicable	Not Applicable	-	-
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Shareholder's Equity	0.08	0.07	13.22%	-
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	Not Applicable	Not Applicable	-	-
Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	7.40	7.74	-4.34%	-
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	Not Applicable	Not Applicable	-	-
Net capital turnover ratio	Net Sales	Working Capital	0.03	0.05	-37.78%	ratio change due to increase in dividend income
Net profit ratio	Net Profit	Net Sales	0.79	0.93	-14.18%	-
Return on capital employed in accordance with Guidance note issued by ICAI	Earning before interest and taxes	Capital Employed	0.04	0.03	31.86%	ratio change due to increase in revenue as compare to previous year
Return on investment	Income	Investment	0.04	0.01	447.58%	ratio change due to increase in dividend income

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March 2025**

- 57 The Company applied, FVTOCI in respect of its equity investment in Calcutta Haldia Port Road Company Limited w.e.f. F.Y 2020-21, however value of investment was not restated for FVTOCI for F.Y 2021-22 to 2023-24, which is treated as Prior period error and requires retrospective restatement . As per Para 44 of Ind AS 8 " When it is impracticable to determine the period-specific effects of an error on comparative information for one or more prior periods presented, the entity shall restate the opening balances of assets, liabilities and equity for the earliest period for which retrospective restatement is practicable (which may be the current period) ". Considering Para 44 of Ind AS 8, and to give effect of FVTOCI for FY 2021-22 to 2023-24 , company restated the financials for FY 2023-24 , the impact of same on financials for FY 2023-24 is as follows:

(in INR Lakhs)		
Particulars	Revised Stated Amount	Earlier Stated Amount
Investment (Balance Sheet)	51,262.81	50,218.81
Other Equity (Balance Sheet)	2,182.09	3,960.00
Net gains/(losses) on fair value of equity in Instruments ( Statement of Profit & Loss)	1,044.00	-
Component of OCI	1,044.00	-

58 **Prior Period Adjustments/Correction of Errors/ Reclassification**

The impact of correction of Prior Period Error as per Note No.57 and regrouping on each item of Statement of Balance Sheet and Statement of Profit are as follow:

**i) Statement of Profit and Loss for the year ended 31st March 2024**

(₹ in Lakhs)

Sl. No.	Particulars	As previously Reported	Adjustment	As restated	Reasons
1	<b>Other Comprehensive Income</b>				
	(a) Net gains/(losses) on fair value of equity instruments	-	1,044.00	1,044.00	As stated at note no. 57

**ii) Balance sheet for 31st March 2024**

(₹ in Lakhs)

Sl. No.	Particulars	Note No.	As previously Reported	Adjustment	As restated	Reasons
1	<b>Asset</b>					
	(a) Investments	6.1	1,040.00	1,044.00	2,084.00	As stated at note no. 57
	(b) Other non-current assets	8.0	205.08	(105.87)	99.21	Regrouping of Advance Tax , Tax at Source Net of provision as per schedule III
	(c) Current Tax Assets (Net)	11.0	40.72	105.87	146.59	Regrouping of Advance Tax , Tax at Source Net of provision as per schedule III
	<b>Total</b>		<b>1,285.80</b>	<b>1,044.00</b>	<b>2,329.80</b>	
2	<b>Equity &amp; Liabilities</b>					
	(a) Other Equity	14	30,097.27	(18,840.01)	11,257.26	As stated at note no. 39 & 57
	(b) Other Non Current Liability	17	9,975.64	19,884.01	29,859.65	As stated at note no. 39
	(c ) Trade Payable	18.2	467.64	118.97	586.61	Regrouping of Trade Payable in line with Schedule III
	(d)Other financial liabilities	18.3	962.01	(118.97)	843.04	Regrouping of Trade Payable in line with Schedule III
	<b>Total</b>		<b>41,034.92</b>	<b>1,043.99</b>	<b>41,959.95</b>	

**iv) Items of Statement of Cash Flow before and after reclassification as at 31 March 2024**

(₹ in Lakhs)

Sl. No.	Particulars	Amount before reclassification	Reclassification	Restated amount after reclassification	Reason for reclassification
1	Cash flow from Operating Activities	(16,738.71)	4,839.71	(11,899.00)	As stated in Note No. 49
2	Cash from Investing Activities	1,610.18	(4,844.77)	(3,234.59)	As stated in Note No. 49
3	Cash from Financing Activities	18,585.59	5.06	18,590.66	



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March,2025**

**59. Additional information pursuant to Schedule III to the Companies Act, 2013**

(INR in Lakhs)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in total	
	As % of consolidated net assets	Amount(Rs.)	As % of consolidated profit or loss	Amount(Rs.)	As % of consolidated total comprehensive income	Amount (Rs.)
<b>Parent Company</b>						
SAGARMALA FINANCE CORPORATION LIMITED (FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)	89.87%	106,788.73	16.84%	1,631.61	16.84%	1,631.61
<b>Subsidiaries</b>						
India Port Company Limited	2.54%	3,018.80	24.18%	2,342.44	24.18%	2,342.44
<b>Associates</b>						
Krishnapatnam Railways Company Limited	0.40%	473.06	14.59%	1,413.71	14.59%	1,413.71
Haridaspur Paradip Railway Company Limited	4.69%	5,572.31	32.83%	3,180.49	32.83%	3,180.49
Vishakhapatnam Port Road Company Limited	2.50%	2,966.37	11.54%	1,118.17	11.54%	1,118.17
Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited	-	-	-	-	-	-
<b>Net Total</b>	<b>100.00%</b>	<b>118,819.27</b>	<b>100.00%</b>	<b>9,686.41</b>	<b>100%</b>	<b>9,686.41</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March,2025**

Statement containing salient feature of Financial Statements of Subsidiary

**59    Part A "Subsidiaries" ] as per section 2(87) of the companies act 2013**

(INR in Lakhs)

Sl. no.	Particulars	India Port Global Limited	India Port Global Limited
	<b>Date of acquisition</b>	<b>28th November, 2018</b>	<b>28th November, 2018</b>
	<b>Financial Year ending on</b>	<b>31st March,2025</b>	<b>31st March,2024 *</b>
	<b>Principal Place of Business</b>	<b>India</b>	<b>India</b>
1	Share Capital	1,000.00	1,000.00
2	Other equity/Reserves & surplus (as applicable)	3,018.80	2,215.88
3	Liabilities	71,623.04	34,018.75
4	Total Equity and Liability	<b>75,641.84</b>	<b>37,234.63</b>
5	Total assets	<b>75,641.84</b>	<b>37,234.63</b>
6	Investments	-	-
7	Turnover	3,764.61	2,641.86
8	Profit before taxation	2,281.96	1,653.49
9	Provision for taxation	(60.48)	(1.23)
10	Profit after taxation	<b>2,342.44</b>	<b>1,654.73</b>
11	Interim Dividend - Equity	NA	NA
12	Interim Dividend - Preference	NA	NA
13	Proposed Dividend - Equity	NA	NA
14	Proposed Dividend - Preference	NA	NA
15	% of share holding	100%	100%

\*Other Equity & Liabilities Restated refer Note 59

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March,2025**

**Statement Containing salient features of financial statement of Associate Company**

**59 Part "B": Associates [as per Section 2(6) of the Companies Act, 2013]**

Sl. No.	Particulars	Vishakhapatnam Port Road Company Limited	Haridaspur Paradip Railway Company Limited	Krishnapatnam Railways Company Limited	Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited
1	Principal Place of Business	India	India	India	India
2	<b>Date of acquisition</b>	<b>30th September, 2020</b>	<b>18th February, 2020</b>	<b>29th December, 2018</b>	<b>19th May, 2023</b>
3	Latest audited Balance Sheet Date	<b>31st March, 2025</b>	<b>31st March, 2025</b>	<b>31st March, 2025</b>	<b>31st March, 2025</b>
4	Shares of Associate held by the company on the year end (In lakhs)	200.00	3,367.88	1,250.00	0.49
	Number of shares held (in numbers)	20,000,000.00	336,788,058.00	125,000,000.00	49,000.00
	Amount of Investment in Associates (In lakhs)	2,000.00	33,678.81	12,500.00	4.90
	Total No of Shares (in numbers)	77,300,007.00	1,300,000,000.00	625,000,000.00	100,000.00
	Extend of Holding %	25.87%	25.91%	20.00%	49.00%
5	Description of how there is significant influence	Refer Note no 1	Refer Note no 1	Refer Note no 1	Refer Note no 1
6	Reason why the associate is not consolidated	NA	NA	NA	NA
7	Net worth attributable to shareholding as per latest audited balance sheet (In lakhs)	4,966.37	39,251.23	12,973.06	4.90

**Notes**

- 1 Significant influence is demonstrated by holding 20% or more of the voting power of the investee.
- 2 As per Ind AS -10 the Company has recognised post-acquisition change in the investor's share of the investee's net assets



**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
Notes to the Consolidated Financial Statements for the year ended 31st March, 2025

**60 (a) Summarised Balance Sheet for Material Associates**

(INR in Lakhs)

Particulars	Vishakhapatnam Port Road Company Limited		Haridaspur Paradip Railway Company Limited		Krishnapatnam Railway Company Limited		Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025
<b>Current assets</b>							
Cash and cash equivalents	132.55	72.20	3,502.12	12,056.03	11,361.03	25,800.52	46.93
Other assets	6,904.89	4,399.20	16,243.18	15,424.27	18,328.57	13,994.46	-
<b>Total current assets</b>	<b>7,037.44</b>	<b>4,471.40</b>	<b>19,745.30</b>	<b>27,480.30</b>	<b>29,689.60</b>	<b>39,794.98</b>	<b>46.93</b>
<b>Total non-current assets</b>	<b>13,357.89</b>	<b>14,192.10</b>	<b>235,433.41</b>	<b>240,842.37</b>	<b>227,700.16</b>	<b>241,987.49</b>	<b>11.37</b>
<b>Current liabilities</b>							
Financial liabilities (excluding trade payables and other payables)	180.67	263.00	1,453.46	40.50	151,574.85	160,458.33	47.45
Other liabilities (including trade payables and other payables)	1,001.54	1,299.70	420.32	46.64	4,262.47	6,865.50	0.85
<b>Total current liabilities</b>	<b>1,182.21</b>	<b>1,562.70</b>	<b>1,873.78</b>	<b>87.14</b>	<b>155,837.32</b>	<b>167,323.83</b>	<b>48.30</b>
<b>Non-current liabilities</b>							
Financial liabilities (excluding trade payables and other payables)	6.50	41.30	87,019.08	113,202.89	35,577.80	56,661.90	-
Other liabilities (including trade payables and other payables)	11.60	217.50	14,776.34	8,001.36	1,109.41	-	-
<b>Total non-current liabilities</b>	<b>18.10</b>	<b>258.80</b>	<b>101,795.42</b>	<b>121,204.25</b>	<b>36,687.21</b>	<b>56,661.90</b>	<b>-</b>
Non-controlling interest	-	-	-	-	-	-	-
<b>Net assets</b>	<b>19,195.02</b>	<b>16,842.00</b>	<b>151,509.51</b>	<b>147,031.28</b>	<b>64,865.23</b>	<b>57,796.74</b>	<b>10.00</b>

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2025**

**60 (b) Summarised Statement of Profit and Loss of material Associates:**

(INR in Lakhs)

Particulars	Vishakhapatnam Port Road Company Limited		Haridaspur Paradip Railway Company Limited		Krishnapatnam Railway Company Limited		Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025
Revenue	5,524.54	5,263.40	56,318.91	48,620.40	50,640.65	61,698.17	-
Other Income	367.40	167.00	1,129.39	1,072.41	2,157.13	1,998.16	-
<b>Total (A)</b>	<b>5,891.94</b>	<b>5,430.40</b>	<b>57,448.30</b>	<b>49,692.81</b>	<b>52,797.78</b>	<b>63,696.33</b>	-
Depreciation and amortisation	1,197.21	1,259.40	8,932.16	8,838.14	9,523.22	9,627.19	-
Other Expenses	87.98	554.30	31,914.78	29,386.26	27,772.37	37,672.16	-
<b>Total (B)</b>	<b>1,285.19</b>	<b>1,813.70</b>	<b>40,846.94</b>	<b>38,224.40</b>	<b>37,295.59</b>	<b>47,299.35</b>	-
Profit from continuing operations (PBT)	4,606.75	3,616.70	16,601.36	11,468.41	15,502.19	16,396.98	-
Income Tax Expenses	476.19	96.80	4,323.17	3,526.37	7,374.51	4,661.68	-
<b>Profit for the year</b>	<b>4,130.56</b>	<b>3,519.90</b>	<b>12,278.19</b>	<b>7,942.04</b>	<b>8,127.68</b>	<b>11,735.30</b>	-
Other comprehensive income	-	-	0.04	1.89	-	-	-
<b>Total comprehensive income</b>	<b>4,130.56</b>	<b>3,519.90</b>	<b>12,278.23</b>	<b>7,943.93</b>	<b>8,127.68</b>	<b>11,735.30</b>	-
Share in Associates	25.87%	25.87%	25.91%	25.91%	20.00%	20.00%	49.00%
Profit Share of Associates	1,068.58	910.60	3,181.29	2,058.27	1,625.54	2,347.06	-
Other Equity Adjustment	49.59	-	(0.80)	-	(211.83)	-	-
Less: Eliminations	460.00	430.00	2,020.73	-	-	-	-
Cost of Investments (Increased by)	658.17	480.60	1,159.76	2,058.27	1,413.71	2,347.06	-

**SAGARMALA FINANCE CORPORATION LIMITED**  
**(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT COMPANY LIMITED)**  
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2025**

**60 (c) Reconciliation of carrying amounts of material**

Particulars	Vishakhapatnam Port Road Company Limited		Haridaspur Paradip Railway Company Limited		Krishnapatnam Railway Company Limited		Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025
Opening net assets	16,842.45	14,798.55	147,031.28	139,087.35	57,796.74	46,061.44	10.00
Profit for the year	4,130.56	3,519.90	12,278.19	7,942.04	8,127.68	11,735.30	-
Adjustment in opening retained earnings due to stake dilution	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	0.04	1.89	-	-	-
Dividends paid	(1,778.00)	(1,662.00)	(7,800.00)				
Equity component of other financial instruments							
Other Equity Adjustment		186.00	-		(1,059.19)		
<b>Closing net assets</b>	<b>19,195.01</b>	<b>16,842.45</b>	<b>151,509.51</b>	<b>147,031.28</b>	<b>64,865.23</b>	<b>57,796.74</b>	<b>10.00</b>
Group's share in %	25.87%	25.87%	25.91%	25.91%	20.00%	20.00%	49.00%
<b>Group's share</b>	<b>4,966.37</b>	<b>4,357.14</b>	<b>39,251.23</b>	<b>38,091.06</b>	<b>12,973.06</b>	<b>11,559.35</b>	<b>4.90</b>
Other Adjustments	-	-	-	-	-	-	-
<b>Carrying amount</b>	<b>4,966.37</b>	<b>4,357.14</b>	<b>39,251.23</b>	<b>38,091.06</b>	<b>12,973.06</b>	<b>11,559.35</b>	<b>4.90</b>

As per Ind AS -10 the Company has recognised post-acquisition change in the investor's share of the investee's net assets, considering same

**60 (d) Carrying amount of investments in associates:**

Particulars	Vishakhapatnam Port Road Company Limited		Haridaspur Paradip Railway Company Limited		Krishnapatnam Railway Company Limited		Brahmaputra Sagarmala Mandir Darshanam SPV Private Limited
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025
Non-material associates		-		-		-	-
Non-material joint ventures		-		-		-	-
<b>Sub-total</b>		-		-		-	-
Material Associates	4,966.37	4,308.21	39,251.23	38,091.47	12,973.06	11,559.35	4.90
<b>Total</b>	<b>4,966.37</b>	<b>4,308.21</b>	<b>39,251.23</b>	<b>38,091.47</b>	<b>12,973.06</b>	<b>11,559.35</b>	<b>4.90</b>

As per our Report of even date attached

For P K Chopra & Co.  
Chartered Accountants  
FRN: 006747N

-sd-  
Shambhu Kumar Thakur  
Partner  
M.No: 537052

For and on behalf of Board of Directors of  
SAGARMALA FINANCE CORPORATION LIMITED  
(FORMERLY KNOWN AS SAGARMALA DEVELOPMENT

-sd-  
Maanas Srivastava  
Company Secretary  
PAN: BFAPSI336B

-sd-  
Ananga Charan Navak  
Director Finance & CFO  
DIN - 10057433

-sd-  
Vikas Narwal  
Managing Director  
DIN - 07884369

Date: 24.09.2025  
Place: New Delhi

**FORM NO. MGT-11**

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U64920DL2016GOI305194

Name of the Company: Sagarmala Finance Corporation Limited

Registered office: 1st Floor, 124, Thapar House, Gate No. 2, Janpath Lane, New Delhi-110001

Name of the Member(s):

Registered address:

E-mail Id:

Folio No/ Clint Id:

DP ID:

1. Name: .....

Address:

E-mail Id:

Signature: ....., or failing him

2. Name: .....

Address:

E-mail Id:

Signature: .....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 9<sup>th</sup> Annual General Meeting of members of the Company, to be held on Friday, 21<sup>st</sup> November, 2025 at 4:45 p.m. at Room No. 414, Transport Bhawan, Parliament Street, New Delhi-110001, and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution Nos.**

- Item No. 1: To receive, consider, approve and adopt the audited standalone & consolidated financial statements of Sagarmala Finance Corporation Limited for the financial year ended March 31, 2025, along with the reports of the Board of Directors, Auditors and the comments of the Comptroller & Auditor General of India thereon.
- Item No. 2: To take note of the payment of interim dividend and declare final dividend on equity shares of Sagarmala Finance Corporation Limited for the financial year 2024-25.
- Item No. 3: To fix the remuneration of Statutory Auditors of Sagarmala Finance Corporation Limited for the Financial Year 2025-26.
- Item No. 4: To increase the overall Borrowing Limit of the Company.
- Item No. 5: To create mortgage or charge, security on all or any of the receivables and other financial assets, and movable and immovable properties of the Company.
- Item No. 6: Approval for private placement of Non-Convertible Debentures (NCDs):

Signed this ..... day of..... 2025

Signature of Shareholder

Signature of Proxy holder(s)

Affix Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.



**ATTENDANCE SLIP**

**9<sup>TH</sup> ANNUAL GENERAL MEETING TO BE HELD ON FRIDAY, 21<sup>ST</sup> NOVEMBER, 2025 AT 4:45 P.M. AT ROOM NO. 414, TRANSPORT BHAWAN, PARLIAMENT STREET, NEW DELHI-110001**

Ledger Folio No: ..... No. of Share Held: .....

Full Name of members (s): .....

Full name of Proxy /Authorised Representative:.....

I certify that, I am a member / proxy / authorised representative for the member of the company.  
I / We hereby record my presence at the 9<sup>th</sup> Annual General Meeting of the Company held on  
Friday, 21<sup>st</sup> November, 2025 at 4:45 P.M. at Room No. 414, Transport Bhawan, Parliament Street,  
New Delhi-110001

.....

**Name of the member/proxy/authorised representative**

(In BLOCK LETTERS)

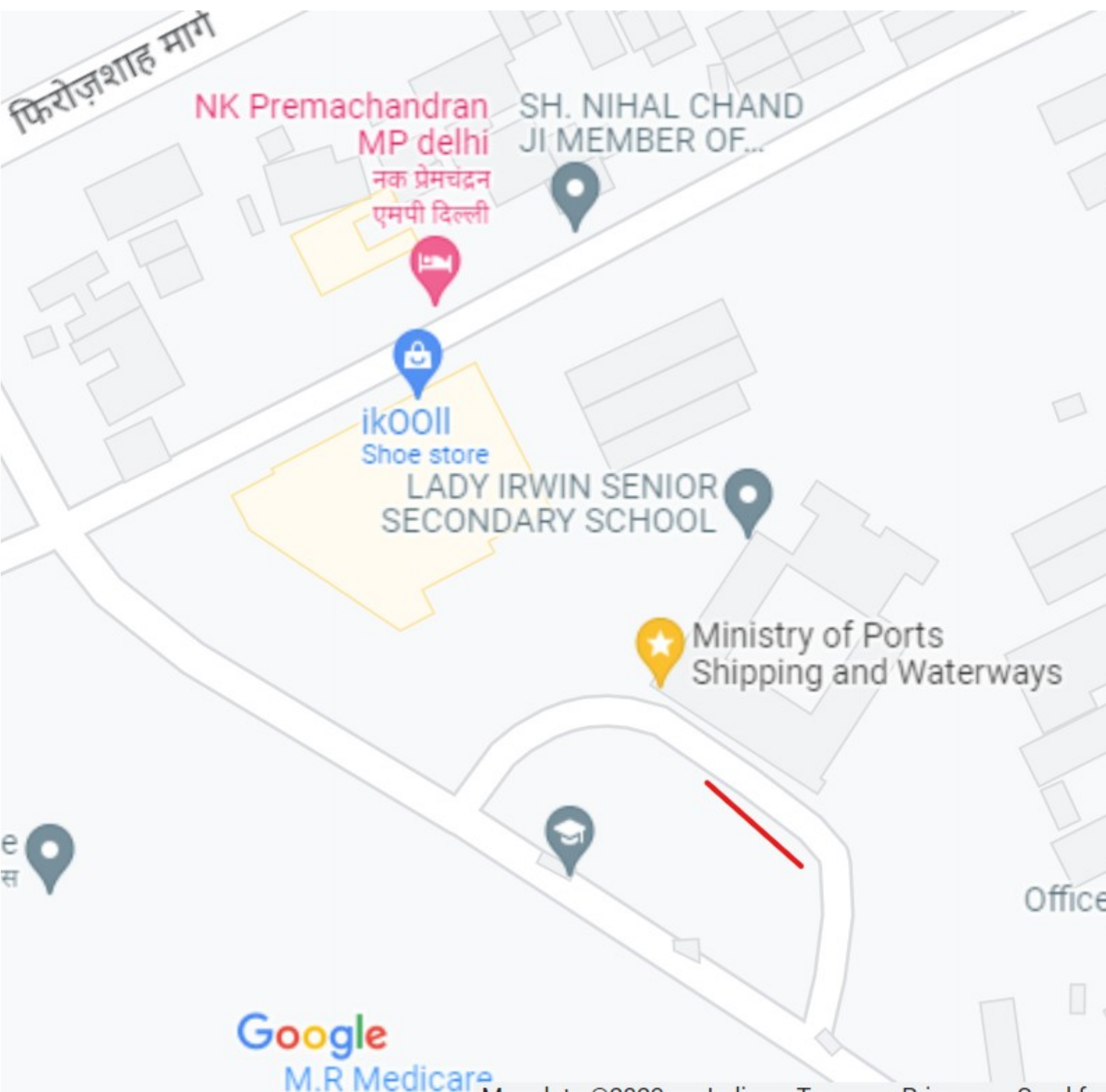
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**(Signature of the member/proxy/authorised representative**

Note: Please fill in this attendance slip and hand it over at the venue.

\*Strike out which is not applicable.

Location Map of the venue of Annual General Meeting



## SENIOR MANAGEMENT TEAM



Amit Kumar Verma  
General Manager (Operations & Projects)

Shri. Amit Kumar Verma assumed the charge of General Manager (Operations & Projects) w.e.f. 16.01.2024. Shri Verma is a Civil Engineering graduate from NIT Jamshedpur with M. Tech from IIT Roorkee. He has completed PGDM(Exe.) from IMI, New Delhi. Prior to joining SMFCL, he worked 21 years in BHEL in the areas of Engineering, Projects and Operations management.



Sachin Goel  
General Manager ( Finance & Accounts )

Shri Sachin Goel is a Chartered Accountant with nearly 26 years in finance and accounts across both public and private sector environments. At Sagarmala Finance Corporation Limited, he leads the entire Finance & Accounts function, handling financial operations, Board proposals, Direct and Indirect Tax , Borrowings, Credit Rating , Audit including C&AG audit.



Maanas Srivastava  
Company Secretary & Public Information Officer

Shri Maanas Srivastava is an associate member of the Institute of Company Secretaries of India since 2005 and holds a postgraduate degree in Commerce from Chhatrapati Shahu Ji Maharaj University, Kanpur. He is also a law graduate. He has over 20 years of experience in secretarial, legal and compliance functions.



## **SAGARMALA FINANCE CORPORATION LIMITED**

1st Floor, Thapar House, Gate No 2,  
124 Janpath Lane, New Delhi, 110001

Website: [www.sdclindia.com](http://www.sdclindia.com)  
E-mail: [info@sdclindia.com](mailto:info@sdclindia.com)  
Tel: 011-21400754