38, Bombay Mutual Building,
2nd Floor, Dr. D. N. Road, Fort,
Mumbai - 400 001.

Tel. : +91(22) 2262 2000/2262 3000
Email : contact@shahgupta.com
Web : www.shahgupta.com

Shah Gupta & Co.
Chartered Accountants

Independent Auditors' Report

To the Members of Jaigarh Digni Rail Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Jaigarh Digni Rail Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, and the statement of Profit and Loss including the statement of other comprehensive income, the cash flows statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the 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"), as amended, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon.

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

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

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

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

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

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

- Conclude on the appropriateness of managements and Board of Directors use of the going concern basis of accounting in preparation of financial statement and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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 Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by sub-section (3) of Section 143 of the Act, we report that:

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

g. The Company has not paid / provided for any managerial remuneration during the year. Accordingly, the provision of Section 197 of the Act is not applicable to the Company.

h. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above and paragraph (i) (vi) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014, as amended.

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

   i. The Company does not have any pending litigations which would impact its financial position in financial statement - Refer Note 19 (A) to the financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are either material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

   (c) Based on the audit procedures that have been considered reasonable and appropriate on the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

SHAH GUPTA & CO.
MUMBAI
FRN : 109574W
CHARTERED ACCOUNTANTS

v. The Company has not declared and paid dividend during the year.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same was operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data in the underlying database and in the application when using certain privileged access rights. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with in respect of the accounting software.

For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Vipul K **Choksi**
M. No. 037606
Unique Document Identification Number (UDIN) for this document is: 24037606BKBOQY7447
Place: Mumbai
Date: May 2,2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Jaigarh Digni Rail Limited of even date

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

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

(B) The Company does not have any Intangible assets and accordingly, reporting under paragraph 3 (i) (a) (B) of the Order is not applicable to the Company.

(b) The property plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the Management during the year. According to the information and explanations given to us, management does not expect material discrepancies on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated during the year or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

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

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

(iii) The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, reporting under paragraph 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(iv) The Company has not given any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. Accordingly, compliance under Section 185 of the Act is not applicable to the Company. According to the information and explanations given to us, the provisions of Section 186 of the Act in respect of the loans given, guarantees given or securities provided are not applicable to the Company, since it is covered as a company engaged in business of providing infrastructural facilities. The Company has not made any investments during the year. Accordingly, compliance under Section 186 of the Act in respect of investment made during the year is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, reporting under clause 3 (v) of the Order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, reporting under clause 3 (vi) of the Order is not applicable.

(vii) (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues as applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, goods and service tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, value added tax, and cess which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, reporting under clause 3 (viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

(b) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans during the year. Accordingly, reporting under clause 3 (ix) (c) of the Order is not applicable to the Company.

(d) The Company has not obtained any short-term loans during the year. Accordingly, reporting under clause 3 (ix) (d) is not applicable to the Company.

(e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the question of our commenting on whether the Company taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures does not arise.

(f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the question of our commenting on whether the Company has not raised loans during the period on the pledge of securities held in its subsidiaries, joint ventures or associate companies does not arise.

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

(b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3 (x) (b) of the Order is not applicable to the Company.

(xi) (a) No material fraud by the Company or on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) No whistle-blower complaints have been received during the year by the Company.

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

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The provisions of internal audit are not applicable to the Company.

(b) The Company did not have an internal audit system during the year. Accordingly, the reporting under clause 3 (xiv) (b) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, reporting under clause 3 (xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, reporting under clause 3 (xvi) (a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any non-banking financial / housing finance activities. Accordingly, reporting under clause 3 (xvi) (b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi) (c) of the Order is not applicable to the Company.

(d) We have been informed by the management that as at March 31, 2024 as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and four CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter group.

(xvii) The Company has incurred cash losses of (Rs. 243.07 lakhs) in the financial year and of (Rs. 146.28 lakhs) in the immediately preceding financial year.

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

(xix) On the basis of the financial ratios disclosed in Note 33 to the financial statements, ageing and expected dates 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 and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The requirements of Corporate Social Responsibility (CSR) contribution under section 135 of the Act is not applicable to the Company. Accordingly, reporting under clause 3 (xx) (a) & (b) of the Order is not applicable to the Company.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

(xxi) The reporting under clause 3 (xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W

Vipul K Choksi
M. No. 037606
Unique Document Identification Number (UDIN) for this document is : 24037606BKBOQY7447
Place: Mumbai
Date: May 2,2024

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of sub-section (3) of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **Jaigarh Digni Rail Limited** ("the Company") as of March 31, 2024, in conjunction with our audit of the 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 (the "Guidance Note") 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 Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on 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 internal financial controls system over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Financial statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements 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.

GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to these financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Vipul K Choksi
M. No. 037606
Unique Document Identification Number (UDIN) for this document is : 24037606BKBOQY7447
Place: Mumbai
Date: May 2,2024

JAIGARH DIGNI RAIL LIMITED
Balance Sheet as at 31st March 2024
CIN: U60232MH2015PLC264711

₹ in Lakhs

Particulars	Note no.	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-current assets:			
Property, Plant and Equipment	3	3,015.08	3,015.08
Other Non-Current Assets	4	185.16	655.82
Income Tax Assets (Net)	5	10.51	2.41
Total Non-Current Assets		**3,210.75**	**3,673.31**
Current assets :			
Financial Assets			
Cash and Cash Equivalents	6	1,785.66	33.96
Bank Balance Other Than Cash and Cash Equivalents	7	-	-
Other Financial Assets	8	66.39	2,325.90
Other Current Assets	4	1.65	2.61
Total Current Assets		**1,853.70**	**2,362.47**
TOTAL ASSETS		**5,064.45**	**6,035.78**
EQUITY AND LIABILITIES			
Equity :			
Equity Share Capital	9	10,000.00	10,000.00
Other Equity	9	(5,109.74)	(4,867.22)
Total Equity		**4,890.26**	**5,132.78**
Liabilities :			
Non-current liabilities :			
Financial Liabilities			
Other Financial Liabilities	11	29.77	36.01
Provisions	12	-	9.20
Total Non-Current Liabilities		**29.77**	**45.21**
CURRENT LIABILITIES :			
Financial Liabilities			
Borrowings	10	-	770.00
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	13	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	-	45.75
Other Financial Labilities	11	26.03	32.82
Other Current Liabilities	14	95.69	4.78
Provisions	12	22.70	4.44
Total Current Liabilities		**144.42**	**857.79**
Total Liabilities		**174.19**	**903.00**
TOTAL EQUITY AND LIABILITIES		**5,064.45**	**6,035.78**

The accompanying notes form an integral part of financial statements
As per our attached report of even date

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

VIPUL K CHOKSI
Partner
M.No. 037606
UDIN: 24037606BKBOQY7447

Place : Mumbai
Dated : 2nd May, 2024

For and on behalf of the Board of Directors

AMIT CHAUDHRI
Managing Director
DIN : 03512552

RAKESH SINGH SISODIA
Director
DIN : 09675586

SANDEEP RAUT
Chief Financial Officer
PAN: AMNPR0265K

MIRAJ SHAH
Company Secretary
M. No. A41912

JAIGARH DIGNI RAIL LIMITED
Statement of Profit and Loss for the period ended 31st March, 2024
CIN: U60232MH2015PLC264711

₹ in Lakhs

Particulars	Note no.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
INCOME			
Other Income	15	70.52	0.69
Total Income		**70.52**	**0.69**
EXPENSES			
Employee Benefits Expense	16	38.01	24.78
Finance Cost			
Interest and Bank Charges	17	29.11	60.96
Other Expenses	18	246.46	61.23
Toatal Expenses		**313.59**	**146.97**
Loss Before Tax		**(243.07)**	**(146.28)**
Tax Expense			
Current tax		-	-
Deferred tax		-	-
Loss for the year		**(243.07)**	**(146.28)**
Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or Loss			
a) Re-measurement of Defined Benefit Plans		(0.54)	0.18
b) Equity Instruments through Other Comprehensive Income			
(ii) Income tax relating to items that will not be reclassified to Profit or			
Total Other Comprehensive Income/(loss) for the Year		**(0.54)**	**0.18**
Total Other Comprehensive loss for the Year		**(242.52)**	**(146.46)**
Earning per share (₹)			
(Face value of equity share of ₹ 10 each)			
Basic (₹)	24	(0.24)	(0.15)
Diluted (₹)	24	(0.24)	(0.15)

The accompanying notes form an integral part of financial statements
As per our attached report of even date

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

VIPUL K CHOKSI
Partner
M.No. 037606
UDIN: 24037606BKBOQY7447

Place : Mumbai
Dated : 2nd May, 2024

For and on behalf of the Board of Directors

AMIT CHAUDHRI
Managing Director
DIN : 03512552

RAKESH SINGH SISODIA
Director
DIN : 09675586

SANDEEP RAUT
Chief Financial Officer
PAN: AMNPR0265K

MIRAJ SHAH
Company Secretary
M. No. A41912

JAIGARH DIGNI RAIL LIMITED
Statement of Cash Flow for the year ended 31st March, 2024
CIN: U60232MH2015PLC264711

₹ in Lakhs

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
[A] Cash flows from operating activities		
(Loss) before tax	(243.07)	(146.28)
Adjustments for:		
Interest expense	29.11	60.96
Interest income	(70.52)	(0.69)
Balance written back	-	0.15
Operating profit before working capital changes	**(284.48)**	**(85.86)**
Adjustments for:		
(Increase)/ Decrease in Other Financial	2,730.17	54.58
(Increase)/ Decrease in Other Current	0.96	(1.72)
Decrease in trade payables	(45.75)	(2.97)
Decrease in trade and other payables	-	(26.43)
Increase in Other Current Liabilities	90.91	-
Increase in Other Financial Libilities	(13.02)	-
Increase in provisions	9.60	0.71
Cash Flow from Operations	**2,488.39**	**(61.69)**
Direct taxes paid (net of refunds)	(8.10)	0.26
Net cash generated from operating activities [A]	**2,480.29**	**(61.43)**
[B] CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets and Asset under development	-	(4.43)
Bank Deposits not considered as Cash and Cash Equivalents (net)	-	80.00
Interest received	70.52	2.63
Net cash used in investing activities [B]	**70.52**	**78.20**
[C] CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from non- current borrowings	(770.00)	73.87
Interest cost	(29.11)	(83.64)
Net cash used in financing activities [C]	**(799.11)**	**(9.77)**
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES (A+B+C)	**1,751.70**	**6.99**
Cash and cash equivalents at beginning of the year	**33.96**	**26.97**
Cash and cash equivalents at end of the year	**1,785.66**	**33.96**

Notes-
(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard

(b) Cash and Cash Equivalents comprises of

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash in Hand	0.08	0.08
Current Accounts	1,785.58	33.88
Cash and Cash Equivalents in Cash Flow Statement	**1,785.66**	**33.96**

c) Reconciliation part of cash flows

Particulars	As at 31st March 2023	Cash flows (net)	Non Cash Changes		As at 31st March, 2024
			Foreign exchange movement	Others #	
Current borrowings	770.00	(770.00)	-	-	-
Total liabilities from financing activities	**770.00**	**(770.00)**	-	-	-

 # other changes with respect to borrowings and lease liabilities represent adjustment for effective interest.

Particulars	As at 31st March 2022	Cash flows (net)	Non Cash Changes		As at 31st March 2023
			Foreign exchange movement	Others #	
Current borrowings	696.13	73.87	-	-	**770.00**
Total liabilities from financing activities	**696.13**	**73.87**	-	-	**770.00**

 # other changes with respect to borrowings and lease liabilities represent adjustment for effective interest.

As per our attached report of even date

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

VIPUL K CHOKSI
Partner
M.No. 037606
UDIN: 24037606BKBOQY7447
Place : Mumbai
Dated : 2nd May, 2024

For and on behalf of the Board of Directors

AMIT CHAUDHRI
Managing Director
DIN : 03512552

RAKESH SINGH SISODIA
Director
DIN : 09675586

SANDEEP RAUT
Chief Financial Officer
PAN: AMNPR0265K

MIRAJ SHAH
Company Secretary
M. No. A41912

JAIGARH DIGNI RAIL LIMITED
Statement of Changes in Equity for the year ended 31st March, 2024
CIN: U60232MH2015PLC264711

A) EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	Total
Balance as at 1st April, 2022	10,000.00
Changes in equity share capital during the year	-
Balance as at 31st March, 2023	10,000.00
Changes in equity share capital during the year	-
Balance as at 31st March, 2024	10,000.00

B) OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and surplus		Items of Other Comprehensive Income/Loss (OCI)		Total equity attributable to equity holders of the Company
	Retained Earnings	Equity Settled Share based Payment Reserve	Equity Instruments through other comprehensive income (Net of Tax)	Remeasurements Gain on Defined Benefit Plans (Net of Tax)	
Balance as at 1st April, 2022	(4,720.76)	-	-	-	(4,720.76)
Profit for the year	(146.28)	-			(146.28)
Re-measurements gain on defined benefit plans (net)	-	-		(0.18)	(0.18)
Other comprehensive income for the year, net of tax	-	-		-	-
Balance as at 31st March, 2023	**(4,867.04)**	-		**(0.18)**	**(4,867.22)**
Profit for the year	(243.07)	-	-	-	(243.07)
Re-measurements gain on defined benefit plans (net)	-	-	-	0.54	0.54
Other comprehensive income for the year, net of tax	-	-	-	-	-
Balance as at 31st March, 2024	**(5,110.11)**	-	-	**0.36**	**(5,109.74)**

The accompanying notes form an integral part of financial statements
As per our attached report of even date

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

VIPUL K CHOKSI
Partner
M.No. 037606
UDIN: 24037606BKBOQY7447

Place : Mumbai
Dated : 2nd May, 2024

For and on behalf of the Board of Directors

AMIT CHAUDHRI
Managing Director
DIN : 03512552

RAKESH SINGH SISODIA
Director
DIN : 09675586

SANDEEP RAUT
Chief Financial Officer
PAN: AMNPR0265K

MIRAJ SHAH
Company Secretary
M. No. A41912

JAIGARH DIGNI RAIL LIMITED

Notes to the Financial Statements as at and for the year ended 31st March, 2024

1. GENERAL INFROMATION

Jaigarh Digni Rail Limited (CIN U60232MH2015PLC264711) ("the Company") is primarily engaged in the business of developing, establishing, financing, constructing, operating, maintaining and managing of Jaigarh – Digni Rail System.

The Company is a public limited company, domiciled in India and incorporated in under the provision of Companies Act, 1956. The registered office of the Company is located at Office No. 905, 9th Floor, Casablance, Plot No. 45, Sector-11, CBD Belapur, Navi Mumbai – 400614.

2. MATERIAL ACCOUNTING POLICIES

I. Statement of Compliance

The Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and the provisions of the Companies Act, 2013 ("the Act") to the extent notified. presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to financial statement.

These standalone financial statements are approved for issue by the Board of Directors on 02nd May, 2024

II. Basis of Preparation and Presentation.

The standalone financial statements have been prepared on a going concern basis, the historical cost basis and on an accrual basis, except for certain financial assets and liabilities (including derivative instruments), defined benefit plan's – plan assets and equity settled share-based payments measured at fair value at the end of each reporting year.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determine on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, fair value of plan assets within scope the of Ind AS 19 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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

Level 3 inputs are unobservable inputs for the asset or liability.

The Financial Statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakhs (₹ 00,000), except when otherwise indicated

III. Property, Plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately

Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels revenue (net of cost) generated from production during the trial period is capitalised.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful lives and residual value prescribed in Schedule II to the Companies Act, 2013 except in case of the following class of assets wherein useful lives are determined based on technical assessment made by a technical expert engaged by the management taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, anticipated technological changes, in order to reflect the actual usage

The Company has estimated the following useful lives to provide depreciation on its certain fixed assets based on assessment made by experts and management estimates.

Assets	**Estimated useful lives**
Building	5-28 Years
Plant and Machinery	2-18 Years
Ships	28 years
Office equipment	3-20 Years
Computer equipment	3-6 Years
Furniture and fixtures	5-15 Years
Vehicles	8-10 Years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The company has policy to expense out the assets which is acquired during the year and value of such assets is below ₹. 5000.

SHAH GUPTA & CO.
MUMBAI
FRN : 109574W
CHARTERED ACCOUNTANTS

IV. Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment, and Other Intangible Assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

V. Revenue Recognition

Revenue from contracts with customers is recognised 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 transferring promised goods or services having regard to the terms of the contract. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated having regard to various relevant factors including historical trend and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Compensation towards shortfall in offtake are recognised on collection or earlier when there is reasonable certainty to expect ultimate collection.

Revenue from port operations services/ multi-model service including cargo handling and storage are recognized on proportionate completion method basis based on services completed till reporting date. Revenue on take-or-pay charges are recognised for the quantity that is difference between annual agreed tonnage and actual quantity of cargo handled.

Interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by acknowledgement from customers.

SHAH GUPTA & CO.
MUMBAI
FRN : 109574W
CHARTERED ACCOUNTANTS

The amount recognised as revenue is exclusive of goods & services tax where applicable.

Trade receivables
A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract including Advance received from Customer.

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

VI. Other Income
Other income is comprised primarily of interest income, mutual fund income, dividend, exchange gain/ loss. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Unrealised gain/loss on mutual unit accounted in Statement of Profit and Loss bases mark to market basis and realised gain/loss accounted on the redemption basis.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

VII. Leases
The Company assesses whether a contract is or contains a lease, at inception of the contract. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor
Leases for which the Company is a lessor are classified as finance or operating leases. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment outstanding in respect of the lease.

Subsequent to initial recognition, the Company regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of Ind AS 109, recognizing an allowance for expected credit losses on the lease receivables. Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The lease term of Company's ROU assets which comprises only Buildings varies from 3 to 30 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

The Company accounts for sale and lease back transaction, recognising right-of-use assets and lease liability, measured in the same way as other right-of use assets and lease liability. Gain or loss on the sale transaction is recognised in statement of profit and loss.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term and are not paid at the commencement date, discounted by using the rate implicit in the lease. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest (using the effective interest method) and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below Rs. 50,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Most of the contracts that contains extension terms are on mutual agreement between both the parties and hence the potential future rentals cannot be assessed. Certain contracts where the extension terms are unilateral are with unrelated parties and hence there is no certainty about the extension being exercised.

The Company uses weighted average incremental borrowing rate for lease liabilities measurement.

SHAH GUPTA & CO.
MUMBAI
FRN : 109574W
CHARTERED ACCOUNTANTS

VIII. Employee Benefits

Retirement benefit costs and termination benefits:
A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Defined contribution plans:
Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans:
For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Actuarial valuations are being carried out at the end of each annual reporting period for defined benefit plans. Past service cost is recognised in profit or loss in the year of a plan amendment or when the Company recognizes corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.
The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for each completed year of service as per the Payment of Gratuity Act, 1972

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Short-term and other long-term employee benefits
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

IX. Share Based Payment Arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity- settled share-based transactions are set out in the financial statements.

The fair value determined at the grant date of the equity- settled share-based payments is expensed on a straight- line basis over the vesting period, based on the Parent Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Parent Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

X. Tax Expense

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is recognised using the balance sheet approach on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred tax asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company is eligible and claiming tax deduction available under section 80IA if the Income Tax Act, 1961 for a period of 10 years.

Current and Deferred Tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

XI. Financial Instruments

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Financial assets and financial 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 Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

a) Investments and other financial assets:

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

Classification of Financial Assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI) and fair value through profit and loss.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

i) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
ii) 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.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

- The asset is held within a business model 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movement are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. The equity instruments which are strategic investments and held for long term purposes are classified as FVTOCI. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the other income' line item. Dividend on financial assets at FVTPL is recognised when:

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Derecognition of Financial Assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Impairment
The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.
The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.
When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the 'Other income' line item.

b) Financial Liabilities & Equity Instruments

Classification as Debt or Equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments

Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'

Initial recognition and measurement financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates an interest paid on the financial liability and is include in the Statement of Profit and Loss. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI.

The Company derecognises financial liabilities when, and only when, the Company 's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Other financial liabilities:
The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as borrowings. Interest borne by the Company on such arrangements is accounted as finance cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method

Derecognition of Financial Liabilities: A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

Offsetting financial instruments
Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

XII. Provisions and Commitments

A provision is recognised when the Company has a present obligation (legal or constructive), as a result of past events and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Onerous Contracts - Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Provisions are reviewed at each Balance Sheet date.

XIII. Contingent Liabilities

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made. Contingent liabilities are reviewed at each Balance Sheet date.

XIV. Cash and Cash Equivalents

Cash and short-term deposits in the Balance Sheet comprise cash at banks, cheque on hand, short-term deposits with a maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows Cash and cash equivalents comprise cash at banks and on hand, short-term deposits with an original maturity of three months or less and liquid investments, which are subject to insignificant risk of changes in value.

XV. Earnings per Equity Share

Basic earnings per share is computed by dividing the profit / loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XVI. Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.
An asset is classified as current when it satisfies any of the following criteria:

- Expected to be realized or intended to be sold or consumed in Company normal operating cycle; Held primarily for the purpose of trading;
- Expected to be settled within twelve months after the reporting period or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in Company normal operating cycle;

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

- It is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

3. Key sources of estimation uncertainty and critical accounting judgements

The preparation of Company's financial statements, in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, 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 included in the following notes:

a. Property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful lives and the expected residual value at the end of its lives. The useful lives and residual values of Company's assets are determined by Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Such lives are dependent upon an assessment of both the technical lives of the assets, and also their likely economic lives based on various internal and external factors including relative efficiency, the operating conditions of the asset, anticipated technological changes, historical trend of plant load factor, historical planned and scheduled maintenance. It is possible that the estimates made based on existing experience are different from the actual outcomes and could cause a material adjustment to the carrying amount of property, plant and equipment.

b. Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. In assessing the realizability of deferred tax assets arising from unused tax credits, the management considers convincing evidence about availability of sufficient taxable

SHAH GUPTA & CO.
MUMBAI
FRN : 109574W
CHARTERED ACCOUNTANTS

income against which such unused tax credits can be utilized. The amount of the deferred income tax assets considered realizable, however, could change if estimates of future taxable income changes in the future.

c. **Defined benefit plans**
The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

d. **Fair Value Measurement**
When the fair values of financials assets and financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions including the Discounted Cash Flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

e. **Impairment of Financial Assets and Non-Financial Assets**
The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

In case of non-financial assets, the Company estimates asset's recoverable amount, which is higher of an assets or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

f. **Contingencies**
In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. The cases which have been determined as remote by the Company are not disclosed.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

Contingent assets are neither recognized nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

g. Provisions

The timing of recognition and quantification of the liability requires the application of judgement
to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

4. Recent Accounting Pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards / amendments under Companies (Indian Accounting Standards) Rules as issued from time to time. As of 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company that has not been applied.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED
Notes to financial statement for the year ended 31st March, 2024

NOTE 3 :- PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

Particulars	Tangible Assets					
	Land	Computer	Printer	Office Equipment	Furniture & Fixture	Total
Cost/Deemed Cost						
As at 1st April, 2022	2,996.80	9.24	1.59	6.42	2.75	3,016.80
Additions	18.28	-	-	-	-	18.28
Deductions	-	-	-	-	-	-
As at 31st March, 2023	3,015.08	9.24	1.59	6.42	2.75	3,035.08
Additions	-	-	-	-	-	-
Deductions	-	-	-	-	-	-
As at 31st March, 2024	3,015.08	9.24	1.59	6.42	2.75	3,035.08
Accumulated Depreciation:						
As at 1st April, 2022	-	9.24	1.59	6.42	2.75	20.00
Deductions	-	-	-	-	-	-
As at 1st April, 2023	-	9.24	1.59	6.42	2.75	20.00
Deductions	-	-	-	-	-	-
As at 31st March, 2024	-	9.24	1.59	6.42	2.75	20.00
Net book value						
As at 31st March, 2023	3,015.08	-	-	-	-	3,015.08
As at 31st March, 2024	3,015.08	-	-	-	-	3,015.08

Notes

1. Title deeds of all the immovable Properties, (other than immovable properties where the company is a lesee and the lease agreements are duly executed in favour of the company) disclosed in the financial statements included in Property Plant and Equipments are held in the name of the company at the balance sheet date.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED
Notes to financial statement for the year ended 31st March, 2024

Note 4:- OTHER ASSETS

₹ in Lakhs

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current	Non Current	Current
Unsecured, Considered good				
Capital Advances	185.16		655.82	
Less: Allowance for Doubtful Advances	-	-	-	-
Total (A)	185.16	-	655.82	-
Other than capital advances				
Advance to Suppliers	-	-	-	0.70
Balance with government authorities	-	-	-	0.41
Other Advances	-	1.65	-	1.50
Less: Allowance for Doubtful Advances	-	-	-	-
Total (B)	-	**1.65**	-	**2.61**
Total (A) + (B)	**185.16**	**1.65**	**655.82**	**2.61**
Notes:				
Capital Advances				
Considered Good	185.16	-	655.82	-
Considered Doubtful, Provided	-	-	-	-
Other Advances				
Considered Good	-	1.65	-	2.61
Considered Doubtful, Provided	-	-	-	-
Indirects Tax Balances/ Receivables/Credits	-	-	-	-
Other Advances	-	-	-	-

Capital advance includes Rs 155.82 Lakh paid to various parties and government authorities towards purchase of land.

NOTE-5 :-INCOME TAX ASSETS (Net)

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Income tax assets	10.51	2.41
Net Current Income Tax Asset/Liabilities	**10.51**	**2.41**

NOTE 6:- CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks		
In current accounts	145.58	33.88
In Term Deposits with maturity less than 3 months at inception	1,640.00	-
Cash in Hand	0.08	0.08
Total	**1,785.66**	**33.96**

NOTE 8:- Other Financial Assets

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current	Non Current	Current
Interest receivables on				
Fixed Deposit	-	61.46	-	-
Others				
Other Receivable related parties (Refer Note 25)	-	4.93	-	2,325.90
Less: Allowance for Doubtful Balances	-	-	-	-
Total	-	**66.39**	-	**2,325.90**
Notes:				
Considered Good	-	66.39	-	2,325.90
Considered Doubtful, Provided	-	-	-	-
Total	-	**66.39**	-	**2,325.90**

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED

Notes to financial statement for the year ended 31st March, 2024

NOTE 9:- EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Authorised:				
Equity Shares of Rs. 10 each	193,000,000.00	19,300.00	193,000,000.00	19,300.00
(19,30,00,000 equity shares of Rs. 10 each)				
Issued, Subscribed and paid-up:				
Equity Shares of Rs. 10 each	100,000,000.00	10,000.00	100,000,000.00	10,000.00
(10,00,00,000 equity shares of Rs. 10 each)				
Total		**10,000.00**		**10,000.00**

(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year:

Issued and Subscribed and paid up share capital	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balance at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Movement during the year	-	-	-	-
Balance at the end of the year	**100,000,000**	**10,000.00**	**100,000,000**	**10,000.00**

(b) Rights, Preferences and restrictions attached to equity share :

The Company has one class of share capital, i.e., equity shares having face value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shareholders holding more than 5 % shares in the Company:

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	%	No. of shares	%
1. JSW Jaigarh Port Limited	100,000,000	100.00%	63,000,000	63.00%
2. Konkan Railway Corporation Limited	-	0.00%	26,000,000	26.00%
3. Maharashtra Maritime Board	-	0.00%	11,000,000	11.00%
	100,000,000	**100.00%**	**100,000,000**	**100.00%**

(d) Details of share held by promoters and promoter group at the end of year:

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	%	No. of shares	%
Promoters				
1. JSW Jaigarh Port Limited	100,000,000	100.00%	63,000,000	63.00%
2. Konkan Railway Corporation Limited	-	0.00%	26,000,000	26.00%
3. Maharashtra Maritime Board	-	0.00%	11,000,000	11.00%
	100,000,000	**100.00%**	**100,000,000**	**100.00%**

There are no changes in share holding pattern of promoters and promoter group during the year

(f) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

(g) There are no bonus shares issued during the period of five years immediately preceding the reporting date.

(h) There are no shares allotted as fully paid-up pursuant to contracts without payment being received in cash during the period of five years immediately preceding the date of the balance sheet.

B) OTHER EQUITY

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Retained Earnings	(5,110.29)	(4,867.04)
Other Comprehensive Income		
Equity instruments through other comprehensive income	0.54	(0.18)
Other Reserves		
Total	**(5,109.74)**	**(4,867.22)**

Nature and Purpose of Reserves:

(1) Retained Earnings

Retained earnings are the profits that Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings are free reserves available to the Company.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED

Notes to financial statement for the year ended 31st March, 2024

NOTE 10: BORROWINGS

₹ in Lakhs

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current	Non Current	Current
Unsecured Loans (at amortised cost)				
Loan from related party	-	-	-	770.00
Total	-	-	-	**770.00**
Less: Unamortised upfront fees on Borrowings				
Total	-	-	-	**770.00**

NOTE 10.1:- Nature of security and terms of repayment

Lender	As at 31st March, 2024		As at 31st March, 2023		Rate of interest		Nature of security	Repayment terms
					As at 31st March, 2024	As at 31st March, 2023		
	Non Current	Current	Non Current	Current				
Unsecured Loans (at amortised cost)								
Loan from related party		-	-	770.00	-	8.75%	Unsecured	Yearly. (Repaid in August 2023)
Total	-	-	-	**770.00**				

The Company has used the borrowings for the specific purpose for which it was obtained.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

NOTE 11:- OTHER FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current	Non Current	Current
Retention money for capital projects	29.77	-	36.01	-
Others	-	26.03	-	32.82
Total	**29.77**	**26.03**	**36.01**	**32.82**

NOTE 12:- PROVISIONS

₹ in Lakhs

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current	Non Current	Current
Provision for Employee Benefits				
Gratuity (Refer Note 21)	-	11.53	8.85	0.26
Compensated absences	-	11.17	0.35	4.18
Total	-	**22.70**	**9.20**	**4.44**

NOTE 13:- TRADE PAYABLES

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Outstanding dues of micro enterprises and small enterprises	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	-	-
Other than Acceptances	-	45.75
Total	-	**45.75**

Ageing of Payables:

As at 31st March, 2024	Undisputed Trade payable		Disputed Trade payable	
	MSME	Others	MSME	Others
Within the credit period	-	-	-	-
Outstanding for following periods from due date of				
Less than 6 months	-	-	-	-
Less than 1 year	-	-	-	-
1 to 2 years	-	-	-	-
2 to 3 years	-	-	-	-
More than 3 years	-	-	-	-
Unbilled	-	-	-	-
Total	-	-	-	-

As at 31st March, 2023	Undisputed Trade payable		Disputed Trade payable	
	MSME	Others	MSME	Others
Within the credit period	-	-	-	-
Outstanding for following periods from due date of				
Less than 6 months	-	-	-	-
Less than 1 year	-	0.88	-	-
1 to 2 years	-	1.21	-	-
2 to 3 years	-	-	-	-
More than 3 years	-	42.31	-	-
Unbilled	-	1.35	-	-
Total	-	**45.75**	-	-

Note: Payables are normally settled within 1 to 180 days
Trade Payable to related parties has been disclosed under note 20

DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
Principal amount due outstanding as at end of year	-	-
Principal amount overdue more than 45 days	-	-
Interest due and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

The company has not been provided interest for MSME vendor because the amount is in dispute with respect to contract terms and

NOTE 14:- OTHER LIABILITIES

₹ in Lakhs

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non Current	Current	Non Current	Current
Statutory liabilities	-	75.19	-	4.78
Other payables	-	20.49	-	-
Total	-	**95.69**	-	**4.78**

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED

Notes to financial statement for the year ended 31st March, 2024

NOTE 15:- OTHER INCOME ₹ in Lakhs

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest income earned on		
- On Bank Deposits	70.46	0.69
Interest on IT Refund	0.04	
Other non-operating income		
Gain on sale of current investments designated as fair value through Profit and Loss Statement	-	-
Other Income	0.02	-
Total	**70.52**	**0.69**

NOTE 16:- EMPLOYEE BENEFITS EXPENSE ₹ in Lakhs

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries, wages and bonus	33.13	22.75
Gratuity and leave encashment expense (Refer Note 21)	4.88	2.03
Total	**38.01**	**24.78**

NOTE 17:- FINANCE COST ₹ in Lakhs

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest Expenses		
Interest on Loan from Related Parties (Refer Note 20)	29.11	60.96
Total	**29.11**	**60.96**

NOTE 18:- OTHER EXPENSES ₹ in Lakhs

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent Rate and Taxes	65.57	4.75
Director's sitting fees	0.30	0.70
Legal, professional and consultancy charges	3.06	31.64
Travelling expenses	3.01	3.06
Allowances for doubtful debts (net)	171.38	-
Auditors Remmuneration (refer note 25)	1.49	1.35
Other Expneses	1.65	19.73
Total	**246.46**	**61.23**

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED
Notes to financial statement for the year ended 31st March, 2024

Note 19:- CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent Liabilities: (to the extent not provided for)- Nil (Previous Year Nil)

There are no Capital Commitments during the Current year (FY 2022-23 Nil).

NOTE 20:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS 24) RELATED PARTY DISCLOSURES

a) List of Related Parties

Name	Nature of Relation
JSW Infrastructure Limited	Ultimate Holding Company
JSW Jaigarh Port Limited	Holding Company
JSW Dharamtar Port Private Limited	Fellow Subsidiary
JSW Shipyard Private Limited	Fellow Subsidiary
JSW Nandgaon Port Private Limited	Fellow Subsidiary
JSW Paradip Terminal Private Limited	Fellow Subsidiary
JSW Mangalore Container Terminal Private Limited	Fellow Subsidiary
South West Port Limited	Fellow Subsidiary
Ennore Bulk Terminal Private Limited	Fellow Subsidiary
Ennore Coal Terminal Private Limited	Fellow Subsidiary
JSW Minerals Trading Private Limited	Fellow Subsidiary
Mangalore Coal Terminal Private Limited	Fellow Subsidiary
Southern Bulk Terminals Private Limited	Fellow Subsidiary
JSW Terminal (Middle East) FZE	Fellow Subsidiary
JSW Salav Port Private Limited	Fellow Subsidiary
Masad Infra Services Private Limited	Fellow Subsidiary
Paradip East Quay Coal Terminal Private Limited	Fellow Subsidiary
PNP Maritime Services Private Limited	Fellow Subsidiary
JSW JNPT Liquid Terminal Private Limited	Fellow Subsidiary
Konkan Railway Corporation Limited	Associate Company till 11th August 2023
Maharashtra Maritime Board	Associate Company till 11th August 2023
Arun Maheshwari	Non executive director
Lalit Singhvi	Non executive director
Dinesh Kochukuttan Thoppil	Non executive director
Gazal Qureshi	Non executive director
Amit Saini	Additional Director
Amitabh Kumar Sharma	Independent director
KC Jena	Independent director
Gerard Da Cunha	Independent director
Abhijit Narendra	Nominee Director
Rashmi Ranjan Patra	Non executive director

Directors & Key Managerial Personnel

Name	Nature of Relation
Amit Chaudhri	Managing Director
Sabyasachi Mukherjee (upto 6th May, 2023)	Chief Financial Officer
Satvendra Singh Bhadoria (w.e.f 17th May, 2023 upto 2nd May 2024)	Chief Financial Officer
Sandeep Raut (w.e.f. 2nd May 2024)	Chief Financial Officer
Miraj Shah	Company Secretary

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED

Notes to financial statement for the year ended 31st March, 2024

b) The following transactions were carried out with the related parties in the ordinary course of business:

₹ in Lakhs

Nature of transaction	For the year ended 31st March, 2024	For the year ended 31st Mar, 2023
JSW Jaigarh Port Limited:		
Interest on Loan	29.11	60.96
Other Reimbursement	150.26	25.06
JSW Infrastructure Limited:		
Salary, Travelling and other reimbursement	42.72	22.16
JSW Infrastructure Employee Welfare Trust:		
Reimbursement	130.21	-
JSW Jaigarh Port Limited		
ICD Repaid	770.00	-
JSW Jaigarh Port Limited		
ICD Received	-	73.87
Paradip East Quay Coal Terminal Private Limited		
Salary, Travelling and other reimbursement	42.72	68.64

c) Amount due (to) / from related parties

₹ in Lakhs

Nature of transaction	For the year ended 31st March, 2024	For the year ended 31st Mar, 2023
Accounts Payable		
JSW Jaigarh Port Limited (Interest)	-	-
JSW Jaigarh Port Limited (ICD)	-	770.00
Total	**-**	**770.00**
Accounts Receivable		
Paradip East Quay Coal Terminal Private Limited	-	-
JSW Infrastructure Limited	4.93	-
Konkan Railway Corporation Limited	-	2,325.89
Total	**4.93**	**2,325.89**

The transactions are disclosed under various relationships (i.e. joint ventures and other related parties) based on the status of related parties on the date of transactions.

The Company gives or receives trade advances during normal course of business. The transactions against those trade advances are part of above-mentioned purchases or sales and accordingly, such trade advances have not been shown separately.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Salary of Mr. Satvendra Singh Bhadoria is paid by JSW Jaigarh Port Limited, the holding company.

Salary of Mr. Miraj Shah is paid by JSW Jaigarh Port Limited, the holding company.

As the future liability of the gratuity is provided on actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

The Independent Non-Executive Directors are paid remuneration by way of sitting fees. The Company pays sitting fees at the rate of ₹ 10,000/- for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during the year is ₹0.30 Lakhs (PY ₹0.70 Lakhs), which is not included above.

SHAH GUPTA & CO.
MUMBAI
FRN : 109574W
CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED
Notes to financial statement for the year ended 31st March, 2024

NOTE 21 :- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS

(a)Defined contribution plans:

Retirement Benefits in the form of Provident Fund and National Pension Scheme which are defined contribution schemes are charged to the statement of profit and loss for the year in which the contributions to the respective funds accrue as per relevant rules / statutes.

Details of amount charged to statement of profit and loss towards defined contribution plans is as below:

₹ in Lakhs

Nature of transaction	For the year ended 31st March, 2024	For the year ended 31st Mar, 2023
Change in benefit obligation		
Provident fund	3.60	3.34
Total compensation paid to key managerial personnel	-	-

(b) Defined benefit plans:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity shall be payable to an employee on the termination of employment after rendering continuous service for not less than five years, or on their superannuation or resignation. However, in case of death of an employee, the minimum period of five years shall not be required. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service completed.

During the previous year ended 31st March, 2023, the compensated absence plans were revised as detailed below:
a) Privileged Leave (PL) - Unutilised PL balance at the end of the calendar year (31st December) shall be encashed at the prevailing basic pay and no carry forward is allowed.
b) Contingency Leave (CoL) - The existing casual leave and sick leave were clubbed together and shall be called as CoL. The annual credit of a contingency leave shall be 14 days for plant locations and 8 days for Corporate and other locations. Maximum accumulation of 30 days is allowed and can not be encashed.

Interest Risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Mortality risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out at 2nd April, 2024 by Independent Actuarial agency. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The following tables summarise the components of net benefit expenses recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Gratuity (Funded)

₹ in Lakhs

Particulars	Gratuity As at 31st March, 2024	Gratuity As at 31st March, 2023
Change in benefit obligation		
Present value of benefit obligation at the beginning of the year	9.11	7.30
Interest Cost	0.67	0.44
Current service cost	1.26	1.18
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	(0.21)
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.48	0.39
Present value of benefit obligation at the end of the year	**11.53**	**9.10**

Net asset / (liability) recognised in the Balance Sheet

Present Value of defined benefit obligation at the end of the year	(11.53)	(9.11)
Fair value of plan assets at the end of the year	-	-
Amount recognised in the balance sheet	(11.53)	(9.11)
Net (liability) / asset- current	**11.53**	**(0.26)**
Net (liability) / asset- non-current	-	**(8.85)**

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED
Notes to financial statement for the year ended 31st March, 2024

Expenses recognised in the Statement of Profit and Loss for the year

	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current service cost	1.26	1.18
Interest Income	0.67	0.44
Total expenses included in employee benefits expense	**1.93**	**1.63**

Recognised in other comprehensive income for the year	**(0.48)**	**(0.18)**

The actual return on plan assets (including interest income) was Rs 0.67 lakhs (Previous year Rs. 0.44 Lakhs).

The major categories of the fair value of the total plan assets are as follows:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Insurer managed funds	100%	100%

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

Maturity profile of defined benefit obligation

Within the next 12 months (next annual reporting period)	11.53	0.26
Between 2 and 5 years	-	10.18
Between 6 and 10 years	-	-
11 years and above	-	-

Quantitative sensitivity analysis for significant assumption is as below:

Increase / (decrease) on present value of defined benefits obligation at the end of the year:		
One percentage point increase in discount rate	-	(0.16)
One percentage point decrease in discount rate	-	0.16
One percentage point increase in rate of salary increase	-	0.17
One percentage point decrease in rate of salary increase	-	(0.16)
One percentage point increase in employee turnover rate	-	0.00
One percentage point decrease in employee turnover rate	-	(0.00)

Sensitivity Analysis Method:
Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Compensated Absences
The Company has a policy on compensated absences with provisions of accumulation of contingency leave and encashment for privileged leave by the employees during employment or on separation from the Company due to death, retirement or resignation. The expected cost of contingency leave is determined by actuarial valuation performed by an independent actuary at the balance sheet date using projected unit credit method.

Actuarial assumptions

Discount rate	7.11%	7.34%
Salary escalation	9.00%	6.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Mortality post retirement rate	N.A.	N.A.
Rate of employee turnover	6.00%	2.00%

Defined benefit obligation - Other details

No. of active members	1	1

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED

Notes to financial statement for the year ended 31st March, 2024

NOTE 22:- FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

22.1 Capital Risk Management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents.

₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Short-term borrowings	-	770.00
Less: Cash and cash equivalent	(1,785.66)	(33.96)
Less: Bank balances other than cash and cash equivalents	-	-
Net debt	**(1,785.66)**	**736.04**
Total equity	**4,890.26**	**5,132.78**
Gearing ratio	**-0.37**	**0.14**

(i) Equity includes all capital and reserves of the Company that are managed as capital.

(ii) Debt is defined as Short-term borrowings.

₹ in Lakhs

As at 31st March, 2024					
Particulars	**Amortised Cost**	**Fair value through other comprehensive income**	**Fair value through profit and loss**	**Total Carrying Value**	**Fair Value**
Financial assets					
Other financial assets (current)	66.39	-	-	66.39	66.39
Cash and cash equivalents	1,785.66	-	-	1,785.66	1,785.66
Total	**1,852.05**	-	-	**1,852.05**	**1,852.05**
Financial liabilities					
Other financial liabilities (Non-current)	29.77	-	-	29.77	29.77
Other financial liabilities (current)	26.03	-	-	26.03	26.03
Total	**55.81**	-	-	**55.81**	**55.81**

As at 31st March, 2023					
Particulars	**Amortised Cost**	**Fair value through other comprehensive income**	**Fair value through profit and loss**	**Total Carrying Value**	**Fair Value**
Financial assets					
Other financial assets (current)	2,325.90	-	-	2,325.90	2,325.90
Cash and cash equivalents	33.96	-	-	33.96	33.96
Total	**2,359.86**	-	-	**2,359.86**	**2,359.86**
Financial liabilities					
Borrowings (current)	770.00	-	-	770.00	770.00
Trade payables	45.75			45.75	45.75
Other financial liabilities (Non-current)	36.01			36.01	36.01
Other financial liabilities (current)	32.82			32.82	32.82
Total	**884.58**	-	-	**884.58**	**884.58**

Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

a) recognised and measured at fair value and

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED
Notes to financial statement for the year ended 31st March, 2024

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, unbilled revenue, trade payables, payable for capital supplies / services, cash and cash equivalents, loan, other financial assets , current borrowings and other financial liabilities (which are not disclosed below) are considered to be the same as their fair values, due to their short term nature.

Rs. In Lakhs

Particulars	As at 31st March, 2024		As at 31st March, 2023		Level
	Carrying Value	Fair Value	Carrying Value	Fair Value	
Financial liabilities					
Borrowings	-	-	770.00	770.00	3
Total	-	-	**770.00**	**770.00**	

NOTE 23:- FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Market risk

The company is yet to start its commercial operations accordingly no market risk is perceived.

Credit risk

The company is yet to start its commercial operations hence no credit risk is perceived.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The following table provides a break-up of the Company's fixed and floating rate borrowings: ₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
Fixed Rate Borrowings		
Floating Rate Borrowings	-	770.00
Total borrowing	-	**770.00**
Less : Upfront Fees		
Total Net Borrowings	-	**770.00**

Interest Rate Sensitivity -

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

A change of 25 basis points in interest rates would have following impact on profit before tax. ₹ in Lakhs

Particulars	As at 31st March, 2024	As at 31st March, 2023
25 bp increase - Decrease in profit	-	(1.93)
25 bp decrease - Increase in profit		1.93

Liquidity risk management:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's principal source of cash and cash equivalent and the cash flow is contributed by promoters. The Company has no outstanding bank borrowings. The Company believes that the working capital is sufficient to meet its current requirement, accordingly no liquidity risk is perceived.

The Company had a working capital of Rs. 1709.27 Lakh (previous year Rs.1504.68 Lakh) which mainly includes cash and cash equivelant.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED

Notes to financial statement for the year ended 31st March, 2024

The table below provides details regarding the contractual maturities of significant financial assets and liabilities as of June 30, 2023: ₹ in Lakhs

As at 31st March, 2024	Less than one year	1 to 5 years	> 5 years	Total
Financials Assets				
Cash and Cash Equivalents	1,785.66	-	-	1,785.66
Other Financial Assets	66.39	-	-	66.39
Total Financials Assets	**1,852.05**	-	-	**1,852.05**
Financials Liablilties				
Other Financial Liabilities	26.03	29.77	-	55.81
Total Financial Liabilities	**26.03**	**29.77**	-	**55.81**

The table below provides details regarding the contractual maturities of significant financial assets and liabilities as of March 31, 2023;

As at 31st March, 2023	Less than one year	1 to 5 years	> 5 years	Total
Financials Assets				
Cash and Cash Equivalents	33.96			33.96
Other Financial Assets	2,325.90	-	-	2,325.90
Total Financials Assets	**2,359.86**	-	-	**2,359.86**
Financials Liablilties				
Borrowings	770.00	-	-	770.00
Trade Payables	45.75	-	-	45.75
Other Financial Liabilities	32.82	36.01	-	68.83
Total Financial Liabilities	**848.57**	**36.01**	-	**884.58**

SHAH GUPTA & CO.
MUMBAI
FRN : 109574W
CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED
Notes to financial statement for the year ended 31st March, 2024

NOTE 24:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 33 EARNINGS PER SHARE

Amount In Rs.

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit Attributable To Equity Shareholders	(24,306,610)	(14,627,765)
Face value of equity share (Rs.)	10.00	10.00
Weighted average number of equity shares outstanding	100,000,000	100,000,000
Basic (₹/share)	(0.24)	(0.15)
Diluted (₹/share)	(0.24)	(0.15)

Note 25:- AUDITORS REMUNERATION (exclusive of tax)

₹ in Lakhs

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Statutory Audit Fees	1.49	1.35
Total	**1.49**	**1.35**

Note 26:- SEGMENT REPORTING

As the business operation have not been started, there are no separate reportable segments in accordance with the requirements of Ind AS 108 operating segments.

Note 27:- In the opinion of the management the current assets, loans and advances (including capital advances) have a

value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

Note 28:- The Company is yet to receive balance confirmation in respect of certain sundry creditors and advances. The management does not expect any material difference affecting the current years financial statement due to the same.

Note 29:- The additional information pursuant to Schedule III of Companies Act, 2013 is either NIL or Non Applicable.

Note 30:- The Company would explore available alternative usage of the current infrastructure available/built the railway network. In this regard, it is engaged at appropriate levels of the Government authorities, Ministry of Railway and other stakeholders / experts in this field for utilization of Company assets. Having considered, the accounts have been prepared on a going concern basis (Refer Note 3 and 24).

NOTE 31 : The company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements.

Note 32: Code on Social Security, 2020

The Code on Social Security, 2020 ("the Code") received presidential assent on 28th September, 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will record any related financial impact of the Code in the books of account, in the period(s) in which the Code becomes effective.

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED
Notes to financial statement for the year ended 31st March, 2024

NOTE-33: FINANCIALS RATIOS

₹ in Lakhs

Sr. No	Particulars	Numerator	Denominator	For the year ended 31st March, 2024	For the year ended 31 March 2023	Variance (%)	*Change in ratio in excess of 25% compared to preceding year
1	Current Ratio (in times)	Current Assets	Current Liabilities	12.84	2.75	366.05%	Increase on account of reduction in Borrowings
2	Debt-Equity Ratio (in times)	Total Borrowing (i.e. Non-current borrowings + Current Borrowings)	Total Equity	-	0.15	-100.00%	Increase on account of reduction in Borrowings
3	Debt Service Coverage Ratio (in times)	Profit After tax + Non cash Opearting Expenses (Depreciation and amortisation expenses + Unrealised Forex Loss / Gain + Loss / Gain on Sale of PPE) + Finance Cost	Interest on Borrowings + Interest on Lease Liabilities + Lease Repayment +Scheduled principal repayments of Borrowings (i.e. excluding prepayments and refinancing of debts) during the year	NA	(0.11)	NA	Not Applicable
4	Return on Equity Ratio (%)	Net profit after tax	Average Equity	-4.97%	-2.85%	74.40%	Increase on account of reduction of profit
5	Inventory Turnover (no. of times)	(Fuel Cost + Stores & Spares Consumed + Purchase of stock-in-trade)	Average Inventory	NA	NA	-	Not Applicable
6	Debtors Turnover (no. of times)	Revenue from operations	Average Trade Receivables	NA	NA	-	Not Applicable
7	Payables Turnover (no. of times)	Operating Expenses + Other Expenses	Average Trade payables	10.77	1.30	731.40%	Increase In Payable Tunover is due to increase in other expenses mainly in Legal and professional Expesnse, Rates and Taxes which has been incurred and paid of during the year.
8	Net Capital Turnover (in times)	Revenue from operations	Working capital	NA	NA		Not Applicable
9	Net Profit Margin (%)	Net profit after tax for the year	Revenue from Operations	NA	NA		Not Applicable
10	Return on Capital Employed (%)	Profit before tax plus finance cost	Tangible Net worth + Total borrowings + Deferred Tax	-4.35%	-1.65%	163.93%	Increase on account of reduction of profit and increasein loss
11	Return on Investment (%)	Earnigs from investments	Average Funds Invested	-4.97%	-2.85%	74.40%	Increase on account of reduction of profit and increase in loss

Note: Since the ratios are not compatable , the reasons for variations are not disclosed.

SHAH GUPTA & CO. ★ MUMBAI FRN : 109574W ★ CHARTERED ACCOUNTANTS

JAIGARH DIGNI RAIL LIMITED
Notes to financial statement for the year ended 31st March, 2024

NOTE 34:- Previous year's figures have been reclassified and regrouped wherever necessary to confirm with the current period classification in order to comply with requirements of amended schedule III to the Companies Act 2013 effective 1st April 2021.

NOTE 35:- The Standalone Financial Statements are approved by the Board of Directors in the meeting held on 2nd May, 2024.

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No: 109574W

SHAH GUPTA & CO. MUMBAI FRN : 109574W CHARTERED ACCOUNTANTS

VIPUL K CHOKSI
Partner
M.No. 037606
UDIN: 24037606BKBOQY7447

Place : Mumbai
Dated : 2nd May, 2024

For and on behalf of the Board of Directors

AMIT CHAUDHRI
Managing Director
DIN : 03512552

RAKESH SINGH SISODIA
Director
DIN : 05335938

SANDEEP RAUT
Chief Financial Officer
PAN: AMNPR0265K

MIRAJ SHAH
Company Secretary
M. No. A41912