



8th

ANNUAL REPORT

INLAND & COASTAL SHIPPING LTD.

A WHOLLY-OWNED SUBSIDIARY OF
SHIPPING CORPORATION OF INDIA LTD.
REGD. OFFICE: SHIPPING HOUSE 13, STRAND ROAD
KOLKATA 700001

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CHAIRMAN'S MESSAGE



Dear Shareholders, Ladies and Gentlemen,

On behalf of the Board of Directors of Inland & Coastal Shipping Ltd, It gives me immense pleasure to address you and to present to you the annual report of your company.

Globally, Inland Water transport is a well-established mode of transport, particularly in regions like, Europe, North America and China. India's extensive network of navigable inland waterways of over 14,000 km, but the sector remains underutilized compared to its potential with hinterland connectivity being primarily based on road and rail and domestic waterways – both coastal shipping and inland

CHAIRMAN'S MESSAGE

waterways - playing a limited role. Share of Inland water Transport in countries like USA, Holland, China etc. are of the order of 8% to 20% of total Inland cargo, which in case of India stands at around 2%. Waterways have been found to be both cost effective as well as an environment friendly means of transportation. It has the potential to supplement the over-burdened railways and congested roadways of the country.

Realizing this opportunity and potential, SCI's wholly owned subsidiary, Inland & Coastal Shipping Limited (ICSL), was incorporated on 29.09.2016. At present, ICSL is managing two cargo vessels MV R.N.Tagore and MV Lal Bahadur Shastri for the owners Inland Waterways Authority of India (IWAI). Both of these cargo vessels have been deployed on NW1 and NW2 respectively. To promote RO-RO transportation aimed at decongesting roads, ICSL has also taken over one RO-RO vessel MV Gopinath Bordoloi from IWAI and has out-chartered the same on 29.08.2023. ICSL would also be taking over management of two vessels (one cargo and one Ro-Ro) from IWAI shortly after due completion of required formalities.

The harmonious relationship fostered between Inland Waterways Authority of India (IWAI) and ICSL during the period is highly appreciable and I am sure that together these organizations can take lead in developing robust inland waterways transportation system connecting hinterlands within Indian and also establishing trade connectivity with our neighbouring countries.

With Government's focus and initiatives like MIV 2030, MAKV 2047, Sagarmala, Gati Shakti Plan, NLP etc. for holistic development of Multimodal Transport Sector, Integrated Maritime Transport infrastructure etc., and the aspirational targets of having more than 50 operational waterways with cargo volume of more than 500 MMTPA by 2047, Inland Waterways is surely a sector full of opportunities for Indian Shipping companies to leverage its inherent / latent potential. Aligning with the government focus, ICSL, in collaboration with IWAI, is also in process of establishing scheduled services in NW1 (Kolkata to Patna / Varanasi) and NW2 (Kolkata to Dhubri / Pandu).

Your Company has a legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value.

CHAIRMAN'S MESSAGE

The Report of Directors on Corporate Governance placed in the Directors' Report comprehensively describes the structure and practice of Corporate Governance of your Company. In addition to complying with the requirements of Corporate Governance emanating from various statutes, rules and regulations, your Company is also in compliance with the DPE guidelines on Corporate Governance except for the Composition of Board of Directors and formation of Committees mandated under DPE guidelines.

The Corporate Governance issues are in constant focus of the Board of Directors of your Company and your Company complies with the applicable guidelines both in letter and spirit.

I would like to express my gratitude to the Government of India for its support. I wish to thank the Hon'ble Minister of Ports, Shipping and Waterways, Shri. Sarbanand Sonowal and Hon'ble Minister of States for Ministry of Ports, Shipping and Waterways, Shri Shripad Naik and Shri Shantanu Thakur for their leadership and consistent support. I would also like to express my gratitude towards Secretary (MoPSW) for his guidance and support. My sincere thanks are also due to the other officials of the Administrative Ministry, other Ministries and Departments of the Government of India. I would like to convey special thanks to IWAI for their initiatives and support. I also wish to express my special appreciation towards all the stakeholders, my colleagues on the Board of Directors. I also take this opportunity to express my gratitude to all the employees of SCI who are involved in operations of ICSL.

sd/-

Capt B. K. Tyagi

Chairman and Managing Director

BOARD OF DIRECTORS



CAPT. BINESH KUMAR TYAGI, ***CHAIRMAN AND MANAGING DIRECTOR***

Capt. Binesh Kumar Tyagi has taken over as Chairman and Managing Director of Shipping Corporation of India Ltd. with effect from 03.09.2022. Capt. B. K. Tyagi also holds the charge of Chairman and Managing Director of Shipping Corporation of India Land and Assets

Ltd. (SCILAL) and Inland & Coastal Shipping Ltd (ICSL) w.e.f. 03.09.2022 and was erstwhile heading the Liner and Passenger Services Division as Director (L&PS), since 07.01.2021.

Capt. Tyagi also held additional charge of Director (Technical & Offshore Services) and Director (Personnel & Administration) of SCI. In addition, he is on the Board of NorthStandard Limited (P&I Club) and India LNG Transport (ILT) Company No. 1, 2, 3 & 4. Capt. Tyagi is also presently serving as Director on board of Indian Register of Shipping (IRS) and Indian National Shipowners' Association (INSA).

Capt. Tyagi is an IIMA alumni and a fellow member of various eminent professional bodies like ICS (London), CMMI, CILT, NMIS and a member of Nautical Institute London and Institute of Directors. Capt. Tyagi is appointed as Chairman and Member of ABS India National Committee, Member of the South Asia Committee of DNV GL, Lloyd's Register South Asia Advisory Committee and Indian Committee of ClassNK.

Capt. Tyagi is also a member of External Steering Committee in respect of National Centre of Excellence in Green Port and Shipping (NCoEGPS) under Ministry of Ports, Shipping & Waterways (MoPSW), MoPSW's Steering Committee for implementation of Pilot Projects on Green Hydrogen in the Shipping & Ports Sector under National Green Hydrogen Mission, Advisory Board of Directorate General of Shipping, MoPSW's Standing Committee on GeM and IFSCA Standing Committee on the development of the Shipping ecosystem in GIFT IFSC.

In his distinguished Shipping career spanning over 34 years he has held

BOARD OF DIRECTORS

many responsible appointments, both Afloat and Ashore. After graduation, Capt Tyagi joined SCI in 1990, as Trainee Nautical Officer (TNOC). He served on board various ships, in different ranks, including as Master. In 2004, he was absorbed ashore, wherein he served at various Management level positions and performed Technical, Vetting, Chartering, Training, Marine HR, Liner, Passenger, Inland Waterways, offshore and S&P functions.

He is a well-rounded shipping professional with qualification & experience in Ship operation, Navigation, Chartering, General Shipping Management, Port Development & Management and Law.

Capt. Tyagi has also been felicitated by various National and International Institutions in the industry, in which latest additions are as follows:

- 'Life Time Achievement' Award at the 18th edition of ShipTek Awards, Kochi in May' 2023
- 'The Maritime Standard Editor's Choice Award' during the 10th Anniversary Edition of The Maritime Standard Awards, Dubai in Nov' 2023
- 'Business Leader of the Year 'CEO of the Year – PSU' award at Mumbai in Feb' 2024
- 'CMD Leadership Awards' at Governance Now 10th PSU Awards, New Delhi in Mar' 2024.

BOARD OF DIRECTORS



SHRI VIKRAM DINGLEY,
NON-EXECUTIVE DIRECTOR

Shri Vikram Dingley is a non-executive Director on ICSL Board w.e.f. 9th September 2022 and holds position of Director (T&OS), SCI from 19th May 2022. He holds a first class Bachelor degree in Mechanical Engineering from Regional Engineering College Srinagar and a First Class Marine Engineer license. He has more than 35

years of professional experience and has extensive experience in new building projects from conceptualization to ship delivery, technical operations and management of in service vessels, dry dockings and safety management.



SHRI. N. SUBRAMANYA PRAKASH,
NON-EXECUTIVE DIRECTOR

Mr. N. Subramanya Prakash joined SCI in 1988. He is a graduate in Commerce from the University of Madras and is an Associate member of the Institute of Chartered Accountants of India. He has also cleared the qualifying examinations of

the ICMA (erstwhile ICWA) and the Institute of Chartered Shipbrokers (London). He has to his credit professional exposure of more than 3 decades. He also holds position of Chief Financial Officer (CFO) of Shipping Corporation of India Limited.

BOARD OF DIRECTORS



SHRI. VINOD GANGADHARAN, _
NON-EXECUTIVE DIRECTOR

Mr. Vinod Gangadharan, a Management & Maritime specialist by profession, took his Bachelor's Degree in Commerce from Mar Ivanios College, Kerala University and Masters in Business Administration (MBA) from Department of Commerce &

Management Studies, University of Calicut. In the year 2004, he did a senior management programme at internationally renowned World Maritime University, Malmö, Sweden gaining a Post Graduate Degree, Master of Science (Shipping Management).

After a short stint as a Market Analyst in The Kerala Ceramics Ltd., he joined The Shipping Corporation of India Ltd. (SCI) in 1992.

Presently, he is overseeing Corporations EXIM & Coastal container services, Inland Water Transport, break-bulk services etc. spanning cargo booking, freight, inventory, consortium arrangements, reconciliation, agency management etc. as GM (I/C), Liner & Passenger Services Division.

Prior to this, he held position of Assistant Manager (1992) in Development Finance Department tasked with sourcing & management of finances for facilitating Company's ship acquisition programme. Subsequently, as a Deputy Manager (1995) he moved to Project Cell undertaking viability studies for acquisition of new building & second hand vessels. Thereafter, in April 2000, as Manager, he joined Plans & Bilateral Department tasked with duties of strategic planning & MOU.

Subsequently in 2007, he moved to Regional Office of the Corporation in Chennai as General Manager overseeing inbound / outbound shipping movements into South India (Chennai, Ennore, Katupalli, Krishnapatnam, Bangalore & Hyderabad) on SCI's various container,

BOARD OF DIRECTORS

break-bulk, dry / liquid bulk services. Thereafter, he was elevated to Vice President in 2012, Regional Vice President in 2013 and tasked with managing entire operations of Regional Office, and subsequently to GM, Container Services & Marketing (2018) & GM (I/C), Liner & Passenger Service Division (2022).

Mr. Vinod Gangadharan's industry engagements has seen him serving as a Member of Executive Committee of The Seafarer's Club, Chennai; Governing Council of M/s. Tamil Nadu Maritime Academy; Expert Committee for OEM Procurement of M/s. Poompuhar Shipping Corporation Ltd.; State Level Coordination-Cum-Empowered Committee (SEC) on Mineral Concessions, Department of Geology & Mining, Government of Tamil Nadu; Academic Council, AMET University; Chairman, Indian Coastal Conference Shipping Association (ICCSA) & Director (Inland & Coastal Shipping Ltd.).



NOTICE

8th ANNUAL GENERAL MEETING OF THE INLAND & COASTAL SHIPPING LIMITED

NOTICE is hereby given that the Eighth (8th) Annual General Meeting of Members of Inland & Coastal Shipping Limited ("Company/ ICSL") will be held on **Thursday, September 05, 2024 at 1400 hours IST** at the Registered Office of Shipping Corporation of India Limited situated at "Shipping House", 245, Madame Cama Road, Mumbai - 400021 with the consent of Members for transacting the following businesses:

ORDINARY BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2024, together with the Report of the Board of Directors and of the Auditors thereon along with the Comments of the Comptroller and Auditor General of India (C&AG) in terms of Section 143(6) of the Companies Act, 2013.

RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2024 together with the Reports of the Board of Directors and Auditors thereon along with the Comments of the Comptroller and Auditor General of India (C&AG) in terms of Section 143(6) of the Companies Act, 2013, as circulated to the Shareholders, be and are hereby approved and adopted.

2. To appoint a Director in place of Shri Vikram Dingley (DIN: 09515547) Non-Executive Director of the Company, who is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the applicable Rules thereon and other applicable provisions of law, if any, Shri Vikram Dingley (DIN: 09515547) Non-Executive Director of the Company, who retires by rotation and being eligible, be and is hereby re-appointed as a Non-Executive Director of the Company at this Annual General Meeting.

3. To fix the remuneration of Statutory Auditors for the Financial Year 2024-25.

RESOLVED THAT the authority be and is hereby accorded to the Chairman and Managing Director of the Company to fix the remuneration of the Statutory Auditors in accordance with the provisions of the Companies Act, 2013 and all other applicable provisions along with the terms of the appointment order issued in this regard by Comptroller & Auditor General of India (C&AG) and as has been authorized by the Board.

BY ORDER OF THE BOARD

For Inland & Coastal Shipping Limited

sd/-

Chairman and Managing Director

Capt. Binesh Kumar Tyagi

Dated: 26.07.2024

Registered Office:

“Shipping House”

13, Strand Road,

Kolkata -700 001

NOTES:

1. The proceedings of the AGM shall be conducted at the Registered Office of Shipping Corporation of India Limited situated at Shipping House, 245, Madame Cama Road, Mumbai - 400 021 which shall be venue of the AGM.
2. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy pursuant to section 105 of the Companies, Act 2013 to attend and vote instead of himself and a proxy need not be a member of the company. The proxy form duly filled, stamped and signed must be deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting.
3. Bodies Corporate, whether a company or not, who are members, may attend through their authorized representatives appointed under Section 113 of the Companies Act, 2013. A Copy of authorization should be deposited with the Company on or before 02.09.2024 till 5 p.m.
4. The Registers of the Directors and Key Managerial Personnel and their shareholding under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

INLAND & COASTAL SHIPPING LTD.(ICSL)
 (A wholly-owned subsidiary of The SCI Ltd.)
 "Shipping House", 13-Strand Road, Post Box No 2653, Kolkata – 700001
 Phone: (033) 22543403, 22543451 Fax: 22480377
 CIN: U61100WB2016GO1217822

Form No. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013, rule 19(3) of the Companies (Management and Administration) Rules, 2014 and Secretarial Standard on General Meetings]

8th Annual General Meeting- Thursday, 5th September, 2024 at 14:00 Hours

Name of the Member(s)	:	
Registered Address	:	
E-mail Id	:	
Folio No/ DP Id and Client Id	:	

I/We, being the member (s) ofshares of the above named company, hereby appoint;

1. Name:

Of Email Id:

Address:

Signature: or failing him / her

2. Name:

Of Email Id:

Address:

Signature: or failing him / her

3. Name:

Of Email Id:

Address:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 8th Annual General Meeting of the company to be held on the Thursday, 5th September, 2024 at 14:00 Hours at the Registered Office of Shipping Corporation of India Limited situated at "Shipping House", 245, Madame Cama Road, Mumbai - 400021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	Optional	
		For	Against
Ordinary Business			
1	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31 st March 2024, together with the Report of the Board of Directors and of the Auditors thereon along with the Comments of the Comptroller and Auditor General of India (C&AG) in terms of Section 143(6) of the Companies Act, 2013.		
2	To appoint a Director in place of Shri Vikram Dingley (DIN: 09515547) Non-Executive Director of the Company, who is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.		
3	To fix the remuneration of Statutory Auditors for the Financial Year 2024-25.		

Signed this:day of 2024

Signature of Shareholder:

Signature of Proxy holder(s):

Notes:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

<p>Affix</p> <p>Revenue</p> <p>Stamp</p>
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Vision

To emerge as a team of inspired performers in the field of Inland & Coastal Shipping in the Indian Maritime sector.

Mission

To serve India's Inland and Coastal shipping trade and be an important player in the field of Indian maritime logistics with focus on:

- Establishing significant presence in the various sectors of Inland and Coastal Shipping business in India.
- Evolving a reliable and cost – effective business models to exploit emerging opportunities in maritime and allied industries.
- Achieving excellence in quality, occupational health, safety and environmental management systems.

DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the Eighth (8th) Annual Report of Inland & Coastal Shipping Limited on the working of your Company together with the Audited Financial Statements and Auditors Report thereon and Comments of Comptroller and Auditor General of India (C&AG) for the Financial Year ended 31st March, 2024.

1. STATE OF COMPANY'S AFFAIR

- 1.1 Your Company was incorporated on 29.09.2016 as a Wholly Owned Subsidiary of SCI, with an authorized capital of Rs.10 crores. Paid up equity capital of the company as on date is Rs.1,05,00,000/-.
- 1.2 Inland Water Transport (IWT) is the most energy efficient, cost effective and eco-friendly mode of transport, especially for moving bulk and containerized cargoes. As per World Bank study, IWT has the lowest operational cost of US\$0.015 / ton-km, as compared to US\$0.033/ ton-km for Road and US\$0.02 / ton-km for Rail. Globally, Inland waterways has been recognized and developed as a preferred mode of transportation to leverage these benefits.
- 1.3 Inland Waterways Transport (IWT) Division, Ministry of Ports, Shipping & Waterways, vide letter dated 27.10.2020, accorded approval for handing over of three Inland Waterways Authority of India (IWAI) owned vessels i.e. (i) m.v. Rabindra Nath Tagore, (ii) m.v. Lal Bahadur Shastri and (iii) m.v. Homi Bhabha to SCI on 'Nil Reserve Price'. Accordingly, a MOU between IWAI & ICSL, for Operation & Management of above mentioned vessels by ICSL was signed on 22.01.2021. ICSL had taken over Operation & Management of m.v. R. N. Tagore w.e.f 22.01.2021 and of m.v. Lal Bahadur Shastri w.e.f 26.02.2021. Operation & Management of third vessel, m.v. Homi Bhabha, will be taken over by ICSL after completion of mandatory formalities.
- 1.4 In an effort to establish scheduled services in NW 1 & NW 2, ICSL is regularly coordinating with stakeholder's viz. shippers, manufacturers, transporters, PSUs, Govt. bodies etc. to explore possibilities of diverting cargo from rail / road mode of transport. m.v. R N. Tagore was deployed on NW1 and has performed nine laden voyages up to March 2024 between Kolkata, Patna & Varanasi with various containerized cargoes viz. Edible Oil, Rice, Rice Husk, Faba Beans, Fertilizers etc. The second vessel taken over by ICSL, m.v. Lal Bahadur Shastri, has performed total six laden voyages out of which one voyage was on NW1 & five voyages on NW 2 with bulk cargoes viz., Rice, Stone Chips, Coal etc.

- 1.5 Subsequently, ICSL and IWAJ signed a second MOU on 11.03.2022 for take-over of two RO-RO vessels viz. m.v. Gopinath Bordoloi & m.v. Sankar Dev by ICSL. Informatively out of the two vessels mentioned above, only m.v. Gopinath Bordoloi has been taken over by SCI on 08.08.2023.

2. **SHARE CAPITAL**

Inland and Coastal Shipping Limited (ICSL) was incorporated on 29.09.2016 with an Authorised Share Capital of Rs.100,000,000/-. As on date, the Paid-up Share Capital of the Company is Rs.1,05,00,000/-.

3. **FINANCIAL PERFORMANCE**

The comparative position of the working results for the year under report vis-a-vis earlier year is as under:

Particulars	INR (Lakhs)	
	Current Financial Year (2023-24)	Previous Financial Year (2022-23)
Revenue from Operations	49.13	5.95
Other Income	1.21	50.32
Profit/loss before Depreciation, Finance Cost, Exceptional items and Tax Expense	(96.54)	(68.08)
Less: Depreciation/ Amortisation/ Impairment	0.44	-
Profit /loss before Finance Cost, Exceptional items and Tax Expense	(96.98)	(68.08)
Less: Finance Cost	0.13	-
Profit /loss before Exceptional items and Tax Expense	(97.11)	(68.08)
Add/(less): Exceptional items	-	0.05
Profit /loss before Tax Expense	(97.11)	(68.13)
Less: Tax Expense (Current & Deferred)	-	-
Profit /loss for the year (1)	(97.11)	(68.13)
Other Comprehensive Income/loss (2)	-	-
Total (1+2)	(97.11)	(68.13)

The above figures have been extracted from the standalone financial statements as per Indian Accounting Standards (Ind-AS).

4. **DIVIDEND AND TRANSFER TO RESERVES**

The Board of Directors of the Company has not recommended any dividend for Financial Year 2023- 2024.

5. BOARD OF DIRECTORS

Kindly refer point no.3 of Corporate Governance Report of this Annual Report for brief details on Board of Directors of the Company. As on 31st March 2024, the Company's Board of Directors comprises of four (4) Directors viz. one (1) Chairman and Managing Director (CMD) and three (3) Non-Executive Directors.

6. KEY MANAGERIAL PERSONNEL (KMP) AS ON 31.03.2024

Sr. No.	Name of KMPs	Designations
1.	Capt. Binesh Kumar Tyagi	Chairman & Managing Director – Executive Director
2.	Smt. Swapnita Vikas Yadav*	Company Secretary

*Smt. Swapnita Vikas Yadav was appointed as Company Secretary of ICSL with effect from 27.04.2023. Prior to her appointment, Shri Mohammad Firoz served as Company Secretary for the period from 1.02.2023 to 26.04.2023.

7. DETAILS OF SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE

The Company does not have any Subsidiaries, Joint Venture and Associate Companies.

8. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes & commitments affecting the financial position of the Company, which have occurred between the end of the financial year and date of this report.

9. PUBLIC DEPOSITS

The Company has not accepted any deposit for the period under review.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- That in the preparation of the annual accounts for the financial year ended 31.03.2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.

- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors had prepared the accounts for the financial year ended 31.03.2024 on a “going concern” basis.
- e) That the Directors, had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. PERFORMANCE EVALUATION

As per notification dated June 5, 2015 issued by the Ministry of Corporate Affairs, the provision related to evaluation of performance of Board, its Committees and individual directors under section 178 (2) of the Companies Act, 2013 is exempted for Government Companies.

12. DECLARATION BY INDEPENDENT DIRECTORS

Kindly refer point no.8 of Corporate Governance Report of this Annual Report for brief details on declaration by Independent Directors.

13. STATUTORY AUDITOR

The Comptroller and Auditor General's intimation about appointment of Statutory Auditors for the Financial Year 2024-25 is awaited. The Board of Directors in its Meeting held on 26.04.2024 has authorised Choudhury Agrawal & Co., Chartered Accountants to conduct Limited Review of Q1 of Financial Year 2024-25 as they were appointed as Statutory Auditors of the Company for the Financial Year 2023-24 by the Comptroller and Auditor General of India (C&AG). Accordingly, Choudhury Agrawal & Co., Chartered Accountants has conducted Limited Review of Q1 of Financial Year 2024-25.

14. STATUTORY AUDITOR REPORT

The Statutory Auditors have given an unqualified report on the Financial Statement of the Company for the Financial Year 2023-24 enclosed herewith as **Annexure A**.

15. AUDIT AND COMMENTS BY COMPTROLLER & AUDITOR GENERAL OF INDIA

The Comptroller and Auditor General of India (C&AG) has given exemption to M/s Inland and Coastal Shipping Limited from the scope of supplementary audit of the financial statements for the year ended March 31, 2024 vide letter dated 12th July 2024 under section 143(6)(a) of the Companies Act, 2013. The Comments of the C&AG under section 143(6)(b) of the Companies Act 2013 on the financial statements of the Company for the year ended 31.03.2024 is enclosed herewith as **Annexure B**.

16. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEE

The Company has an outstanding position of loan taken of Rs.246.88 Lakhs from parent Company The Shipping Corporation of India Limited. The Company does not have any investment during the Financial Year ended 31.03.2024. The Company has not given any loans or guarantees during the Financial Year ended 31.03.2024.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The details of Related Party Transactions are mentioned as Note 28 to the Financial Statements for the Financial Year 2023-24. Particulars of contracts or arrangements with related parties referred to in Section 188 of the Companies Act, 2013, in the prescribed Form AOC-2 is appended as **Annexure C** to this Report.

18. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Auditors of the Company has not reported any frauds.

19. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance is commensurate with its operational performance.

20. DPE CORPORATE GOVERNANCE COMPLIANCE REPORT

The Company is complying with all the requirements of the DPE Guidelines on Corporate Governance except with regard to composition of the Board and constitution as stated in point 5 of this Report. The Compliance Certificate on DPE Guidelines on Corporate Governance issued by the Practising Company Secretary of the Company for FY 2023- 2024 is attached as **Annexure –D**. M/s Mehta & Mehta, Practising Company Secretary in their Certificate has mentioned that:

“The Composition of Board of Directors viz. Functional Directors, Nominee Directors and Independent Directors is not duly constituted in terms of Clause 3.1 of Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSE) issued by the Department of Public Enterprises (DPE). Consequently, the Company has not constituted Audit Committee and Remuneration Committee as contemplated in the Clause 4.1 and 5.1 respectively of aforementioned DPE Guidelines on Corporate Governance for CPSE.”

The Company response is as below:

“The Competent Authority nominates directors on the Board of Directors of the Company as the Company is a Public Sector Undertaking. The Company is currently communicating with the Competent Authority for complying with the aforementioned provision under DPE Guidelines.”

21. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is complying with the applicable Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 (10) of the Companies Act, 2013.

22. DETAILS OF VESSELS MANAGED

ICSL has taken over M.V. R. N. Tagore on 22.01.2021 and M.V. Lal Bahadur Shastri on 26.02.2021. Presently both vessels viz., M.V. R. N. Tagore and M.V. Lal Bahadur Shastri are deployed on NW1 & NW2 respectively. Details of above vessels are as below:

Vessels	M.V. R.N. Tagore	M.V. L.B. Shastri
Vessel Type	Container Vessel	Cargo vessel
Owner	IWAI	IWAI
Year Built & Age	2006 (18 Years)	2004 (20 Years)
Vessel Capacity	16 TEU / 300 MT	300 MT

23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) **Eco-friendly & Conservation of Energy:** Inland waterways is most fuel-efficient, cost-effective and environment friendly mode of transportation. As per a World Bank study, IWT mode has lowest operational cost of US\$ 0.015 / ton-km, compared to US\$ 0.033 / ton-km for Road and US\$ 0.02 / ton-km for Rail. Inland waterways help in reducing greenhouse gas emissions as it is more energy efficient than established modes of transport viz. rail / road. Energy consumption per km / ton of transported goods in Inland Waterways is around 50% of consumption by rail transport and around 17% of energy consumption by road transport making it most sustainable mode for moving goods & commodities transport.
- b) **Technology Absorption, Adoption & Innovation:** ICSL has taken over ships on bare boat charter from IWAI and is operating them on NW1 & NW2 route. Since Company is in nascent phase of its operations, this aspect would be suitably explored in future.
- c) **Foreign Exchange Earnings and Outgo:** During the year, the Company has undertaken no foreign exchange transactions.

24. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Statutory Auditors in their report dated 01.05.2024 have stated as follows:

'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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.'

25. ANTI-SEXUAL HARASSMENT

As on 31.03.2024 the Company does not have any employee including women employee. Therefore, provisions of Act are presently not applicable to the Company and same shall be complied with as and when applicable.

Further to above, employees of SCI (the Holding Company) are managing and handling operations of ICSL. SCI has Internal Committee (IC) in place to redress Complaints of Sexual harassment, if any.

26. MANAGEMENT DISCUSSION AND ANALYSIS

(i) Industry Structure and Developments:

India has an extensive network of inland waterways in form of rivers, canals, backwaters and creeks. As compared to developed countries, movement of goods by Inland Water Transport is highly underutilized and has not gained momentum in India, although Waterways is cost effective and environmental friendly means of transport.

In heydays of steam navigation, steamers used to ply from Kolkata to as far upstream as Garhmukteshwar on the Ganga and Agra on the Yamuna. They also used to ply via the Ganga-Brahmputra linkage as far as Sylhet in Bangladesh and Assam in India. River cargo services entered a period of gradual decline after 1890s, which ultimately led to a downturn in traffic movement in early 1930's. Primary factors responsible for this trend were decline in navigability on river Ganga above Mirzapur and increased competition from alternate modes of transport viz. rail and road transportation.

India's hinterland connectivity is mainly based on road and rail network with domestic waterways, both coastal shipping and inland waterways, playing a limited role. Share of Inland water Transport in developed countries like USA, Holland, China etc. are of the order of 8% to 20% of total Inland cargo, and share in India is around 2%. Most Waterways suffer from navigational hazards like shallow water, narrow width during dry season, heavy

silting, shifting of channels, bank erosions etc. As a result only about half the river length of 5,200 KM of major rivers and 485 KM of canals is suitable for mechanized craft.

(ii) **Strengths**

- Inland Waterways has the potential to be cost effective, fuel efficient, environment friendly and high employment generating mode of transport.
- Moving cargo through waterways helps in reducing level of congestion on road and rail networks.
- It has bigger parcel size capacity & can carry much larger quantities of heavy and bulk goods such as Coal, Timber, Fertilizers, Fly ash, Stone chips etc.
- Risks of accidents and breakdowns, in this form of transport, are minimum as compared to any other form of transport.
- Movement of cargo through IWT boosts up socio-economic development of hinterlands.

(iii) **Weakness**

- Inadequate depth (LAD) in navigational channels.
- Inadequate Port & Terminal Infrastructure.
- Limited Night Navigation Facilities.
- High Cost of First / Last Mile Connectivity.
- Higher Transit Time in comparison to Road / Rail Transport. Absence of Night Navigation further increases the transit delivery time.
- Air Draft Restrictions.
- Non-availability of experienced and skilled ship staff / crew.

(iv) **Opportunities:**

- Green Transport Corridors / Zero Carbon Emission norms are emerging as mandatory targets throughout the world. Therefore, Govt. of India is focussing / prioritizing on developing this mode of transport.
- With renewed impetus over last decade, IWT sector in India has been evolving steadily over last few years with growth in cargo traffic rising from 18.1 MMT in FY14 to 133 MMT in FY24 (CAGR of approx. 22%). However, potential for cargo traffic growth is much more.
- As per Maritime India Vision (MIV) 2030, cargo movement through waterways is targeted to increase to 200 MMT by 2030 and achieve 5% modal share of inland cargo movement. Further, as per Maritime Amrit Kaal Vision (MAKV) 2047, cargo movement through waterways is planned to increase 500 MMT by 2047.
- Multiple initiatives have been undertaken for development and utilisation of NWs specifically NW-1, NW-2 and NW-16, for transportation of cargo and total cargo volumes

handled on these NWs have been growing. In FY24, NW-1 and NW-2 contributed 12.8 MMT and 0.6 MMT of cargo respectively, whereas, they have potential to contribute cargo volumes of 48 MMT and 2.2 MMT per annum respectively by FY47 (as per IWA estimates).

- Ship Building and Repair facilities – Cargo / Cruise / Dredger / Survey vessels etc.
- Terminal Operations – Opportunity for O&M of Terminals.
- River Cruise Tourism.
- Deploying wide bodied / flat bottomed vessels with low draft requirement and higher cargo carrying capacity would be commercially viable on NW1 & NW2.
- Strong prospect in IBP Protocol Route for movement of Fly Ash, Rice, Textiles, Consumer Goods etc.

(v) Threats

- Despite ICSSL providing cost effective and environmental friendly mode of transport, due to emerging concept of door-to-door logistics, with faster delivery times by competing modes of road & rail transport continue to be threat to IWT.
- Dredging operations can damage river bed, and can lead to change in habitats for various aquatic flora and fauna. Other environmental concerns include pollution due to oil and diesel from vessels, leakage and spilling of cargo etc.
- Longer gestation period & suboptimal returns do not lend itself for unleashing entrepreneurial activity / latent potential of IWT.

(vi) Segment-wise or Product-wise Performance:

No comparable data is available within industry as industry is in a nascent stage of development.

- (vii) Outlook:** ICSSL during its engagement with various cargo interests identified several critical areas of concern, such as high transit time and cargo handling costs, lack of adequate infrastructure for handling heavy cargo / containers, requirement of multiple handling, difficulty in first mile / last mile connectivity, seasonal nature of IWT due to variations in LAD etc., which needs to be addressed on priority for making IWT a viable & alternative mode of transport. Above challenges limit scope of modal shift from well-established and efficient modes of rail and road transport to transport through IWT. However, going forward with land side / river side developments taking place under aegis of GOI, outlook for this eco-friendly, sustainable & cost effective alternate mode of transport looks promising.

(viii) **Risks & Concerns:** Presently, Inland waterways industry in India is still in its nascent stage. Consequently, ICSL continues to face basic operational and infrastructural bottlenecks. Therefore, it may take time for ICSL to establish itself into a major Inland waterway operator and realize its full potential.

(ix) **Internal Control Systems & Their Adequacy:** SCI's manpower is engaged for managing ICSL operations in addition to their present assignments as mandated by SCI Management. As an interim control measure and till such time a specific & bespoke DOPO is finalized for ICSL, financial / operational oversight is provided by applying SCI's DOPO guidelines. Release of funds to ICSL for meeting expenses incurred on a Monthly basis, is based on Management mandated protocol for exercising effective oversight & control.

(x) **Environmental Protection & Conservation, Technological Conservation, Renewable Energy Developments, Foreign Exchange Conservation:** ICSL complies with Indian Vessels Act of 1917 (amended in 2007) which deals with survey and registration of inland vessels, removal of obstructions in navigation, carriage of goods and passengers, prevention and control of pollution etc. During the year, the Company has no foreign exchange transactions.

27. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS, TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There are no significant or material orders passed by the Regulators or Courts or Tribunals which would impact the "Going Concern" status of your Company and its future operations for the FY 2023-2024.

28. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES, INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company does not have any employee on its payroll as on 31.03.2024. The employees of SCI are managing and handling operations of ICSL under the Agreement between SCI and ICSL for Operations, Manning and Management of ICSL Vessels.

29. REPORT ON COROPRATE GOVERNANCE

A report on Corporate Governance as stipulated in the DPE Guidelines on Corporate Governance, 2010 forms part of the Annual Report.

30. ANNUAL RETURN

Pursuant to Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013 Annual Return of the Company is placed on the website of SCI under following path

www.shipindia.com → Subsidiaries → ICSL → Annual Return or on https://www.shipindia.com/page/icsl_page/icsl_annual_return

31. AUDIT QUALIFICATIONS

There are no qualifications/reservations/ adverse remarks or disclaimers made by the Statutory Auditors in the Audit Report on the Financial Statements of the Company for the year ended 31.03.2024. Further, the Comptroller and Auditor General of India (C&AG) has given exemption to M/s Inland and Coastal Shipping Limited from the scope of supplementary audit of the financial statements for the year ended March 31, 2024 vide letter dated 12th July 2024 under section 143(6)(a) of the Companies Act, 2013.

32. RISK MANAGEMENT POLICY

ICSL considers on-going risk management to be a core component of Management of the Company, and understands that Company's ability to identify and address risk is central to achieving its corporate objectives. Risk management in ICSL is a holistic, integrated, structured and disciplined approach to managing risks with the objective of maximizing stakeholder's value. It aligns strategy, processes, people & culture, technology and governance with purpose of evaluating & managing uncertainties faced by organization while creating value.

The Board of Directors at their Meeting held on 28.10.2022 had approved the Risk Management Policy. Subsequently, during yearly review of the said Policy by the Board, it was noted that SCI's Risk Management Policy was notified on 08.04.2024 & Risk Management Policy of ICSL, in line with SCI's Risk policy is under preparation & will be placed for review during ensuing meeting of ICSL Board.

33. WHISTLE BLOWER POLICY

Kindly refer point no.14 (c) of Corporate Governance Report of this Annual Report for brief details on Whistle Blower Policy of the Company.

34. APPOINTMENT AND REMUNERATION OF DIRECTORS

Appointment, terms and conditions of remuneration of Directors are determined by the Administrative Ministry i.e. MoPSW. The Directors of the Company do not draw remuneration from the Company. Except for remuneration drawn by the Directors in their official capacity from holding company for their respective positions in the holding Company i.e. SCI, the Directors have or had no material pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, if any, during the three immediately preceding financial years or during the current financial year.

35. INSOLVENCY AND BANKRUPTCY CODE

During the year, the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, along with their status was "NIL".

36. CORPORATE SOCIAL RESPONSIBILITY

The obligation with respect to Corporate Social Responsibility is not applicable to the Company.

37. ACKNOWLEDGEMENTS

Your Directors extend their gratitude to Shri Sarbanada Sonowal, Honourable Minister of Ports, Shipping and Waterways, Shri Shripad Naik and Shri Shantanu Thakur, Hon'ble Ministers of State for Ports, Shipping and Waterways for their support and guidance in managing the affairs of the Company. Your Directors also extend their gratitude to Secretary (Shipping) Ministry of Ports, Shipping and Waterways for guidance. Your Directors also wish to express their thanks to the officials in the Ministry of Ports, Shipping and Waterways for unstinted support given by them in various matters concerning the Company. Your Directors would also like to convey their thanks to Inland Waterways Authority of India (IWAI) and other Ministries, Trade Organizations, and Shippers' Councils, who have played a vital role in the continued success of your Company. The Directors thank the shareholders, other stakeholders and valued customers for the continued patronage extended by them to your Company.

**For and on behalf of the Board of Directors
Inland & Coastal Shipping Limited**

sd/-

**Place: Mumbai
Dated: 26.07.2024**

**Capt. Binesh Kumar Tyagi
Chairman and Managing Director**

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

The Company is committed in adopting best governance practices applying sound management systems and adhering to compliance with laws in a highly transparent and ethical manner.

2. ICSL CODE OF CONDUCT

The Company's Board of Directors adopted the "Code of Business Conduct & Ethics for Board Members" ("Code"). The Code is in alignment with the Company's Vision and Values to achieve the Mission & Objectives and aims at enhancing ethical and transparent processes in managing the affairs of the Company. The Board Members have affirmed compliance to this Code and a declaration to this effect signed by the Chairman and Managing Director of the Company is provided at the end of this Report.

3. BOARD OF DIRECTORS

a) Composition of Board of Directors:

Inland & Coastal Shipping Limited (ICSL) being Wholly-Owned Subsidiary of the Shipping Corporation of India Limited, a Navratna Central Public Sector Enterprise (CPSE), is managed and controlled by its Administrative Ministry viz. Ministry of Ports, Shipping and Waterways (MoPSW).

As on 31st March 2024, the Company's Board of Directors comprises of four (4) Directors viz. one (1) Chairman and Managing Director (CMD) and three (3) Non-Executive Directors.

The particulars of the Directors during Financial Year 2023- 2024 are as follows*:

Sr. No.	Name	Category	Date of Appointment	Date of Cessation	Remarks (only in case of Cessation)
1)	Capt. Binesh Kumar Tyagi	Chairman and Managing Director – Executive Director	20.11.2020 – as Director 03.09.2022 – as CMD	NA	NA

Sr. No.	Name	Category	Date of Appointment	Date of Cessation	Remarks (only in case of Cessation)
2)	Shri Vikram Dingley	Non-Executive Director	09.09.2022	NA	NA
3)	Shri Natarajan Prakash Subramanya	Non-Executive Director	15.09.2022	NA	NA
4)	Shri Gangadharan Vinod	Non-Executive Director	01.12.2022	NA	NA

*Currently the Company is non-compliant with the DPE Guidelines on Corporate Governance as ICSL does not have optimum combination of Functional, Nominee and Independent Directors on its Board. The Company is undertaking all necessary steps in coordination with appropriate authority to comply with Companies Act, 2013 and DPE Guidelines.

b) Number of other Board Committees in which Directors of the Company (he/ she) is a Member or Chairperson as on 31st March 2024

Sr. No	Name	Category	Number of other Boards in which he/ she is a Director	Number of other Board committees in which she / he is a Member or Chairperson*	
1)	Capt. Binesh Kumar Tyagi	Chairman and Managing Director	a) The Shipping Corporation of India Limited – CMD	a) The Shipping Corporation of India Limited	<u>Chairperson:</u> i) CSR Committee ii) Strategy Committee
			b) Shipping Corporation of India Land and Assets Limited - CMD	b) ABS India National Committee	<u>Member:</u> i) Finance Committee
			c) India LNG	c) South Asia Committee	Chairperson & Member Member

Sr. No	Name	Category	Number of other Boards in which he/ she is a Director	Number of other Board committees in which she / he is a Member or Chairperson*	
			Transport Company No.1, 2 and 3 Limited	of DNV GL	
			d) India LNG Transport Company No.4 Private Limited	d) South Asia Advisory Committee of Lloyds Register of Shipping	Member
			e) North Standard Ltd	e) Indian Committee of NKK	Member
			f) Indian Register of Shipping (IRS)		
			g) Indian National Shipowners' Association (INSA)		
2)	Shri Vikram Dingley	Non-Executive Director	The Shipping Corporation of India Limited	The Shipping Corporation of India Limited	<u>Member:</u> i) CSR Committee ii) Risk Management Committee iii) Stakeholders' Relationship Committee iv) Strategy Committee
3)	Shri Natarajan Prakash Subramanya	Non-Executive Director	NIL		
4)	Shri	Non-	NIL	Indian Coastal	Chairman – Nominee

Sr. No	Name	Category	Number of other Boards in which he/ she is a Director	Number of other Board committees in which she / he is a Member or Chairperson*	
	Gangadharan Vinod	Executive Director		Conference Shipping Association (ICCSA)	of SCl.

*Details of Directorship/ Committee Membership are based on the latest disclosures received from the Directors. Further, Directors do not have any pecuniary relationships/ transactions with the Company.

c) Details of Board Meetings held during the financial year:

During the financial year 2023-2024, four (04) meetings of Board of Directors were held on following dates - 26th April 2023, 25th July 2023, 25th October 2023 and 25th January 2024. The maximum interval between two consecutive Board Meetings was not more than 120 days as provided under Companies Act, 2013.

d) Attendance of each Director at the Board Meetings during financial year 2023-2024 and the last Annual General Meeting (AGM)

Sr. No.	Name	Category	No. of Board Meetings which were entitled to attend during FY 2023-2024	No. of Board Meetings attended during FY 2023-2024	Attendance at last AGM held on 11.09.2023
1.	Capt. Binesh Kumar Tyagi	Chairman and Managing Director	04	04	Yes
2.	Shri Vikram Dingley	Non-Executive Director	04	04	Yes
3.	Shri Natarajan Prakash Subramanya	Non-Executive Director	04	04	Yes
4.	Shri Gangadharan Vinod	Non-Executive Director	04	04	Yes

e) Details of Directors Shareholding:

Capt. Binesh Kumar Tyagi holds one (1) share of the Company as nominee of SCI.

4. AUDIT COMMITTEE

Inland & Coastal Shipping Limited (ICSL) is the Wholly-Owned Subsidiary of Shipping Corporation of India Limited (SCI). Further, Ministry of Corporate Affairs (MCA) vide notification dated 05th July 2017 had amended the Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014 which states that unlisted public companies in the nature of wholly owned subsidiary of Public Companies are exempted from the requirement of constituting Audit Committee. Accordingly, the provisions of Section 177 of the Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 are not applicable to the Company.

However, as per Clause 4.1 of DPE Guidelines on Corporate Governance, 2010 the Company is required to constitute an 'Audit Committee'. After the appointment of the required Directors on ICSL Board, a qualified and independent Audit Committee will be constituted. The Company is undertaking all necessary steps in coordination with appropriate authority to comply with applicable laws. Since there was no Audit Committee, no Meetings were held during FY 2023-2024.

5. REMUNERATION COMMITTEE

Inland & Coastal Shipping Limited (ICSL) is the Wholly-Owned Subsidiary of Shipping Corporation of India Limited (SCI). Further, Ministry of Corporate Affairs (MCA) vide notification dated 05th July 2017 had amended the Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014 which states that unlisted public companies in the nature of wholly owned subsidiary of Public Companies are exempted from the requirement of constituting Nomination and Remuneration Committee. Accordingly, the provisions of Section 178 of the Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 are not applicable to the Company. Hence, as per above stated laws your Company is exempted from said requirement under Companies Act, 2013.

However, as per Clause 5.1 of DPE Guidelines on Corporate Governance, 2010 the Company is required to constitute a 'Remuneration Committee'. After the appointment of the required Directors on the Board, a Remuneration Committee will be constituted. The Company is

undertaking all necessary steps in coordination with appropriate authority to comply with applicable laws.

6. RISK MANAGEMENT

(a) Development & Implementation of Risk Management Policy:

ICSL considers on-going risk management to be a core component of Management of the Company, and understands that Company's ability to identify and address risk is central to achieving its corporate objectives. Risk management in ICSL is a holistic, integrated, structured and disciplined approach to managing risks with the objective of maximizing stakeholder's value. It aligns strategy, processes, people & culture, technology and governance with purpose of evaluating & managing uncertainties faced by organization while creating value. The Company's Risk Management Policy ("the Policy") outlines program implemented by Company to ensure appropriate risk management within its systems and culture.

(b) Risk Identification:

All risks that have been identified shall be categorised under following risk categories viz. Strategic, Operational, Reporting and Compliance risk.

(i) **Strategic Risk:** Risk of loss resulting from business factors. These risks adversely affect achievement of strategic objectives and may impair overall enterprise value. Examples include:

- Loss of business & market share.
- Financial risks.
- Loss of Reputation.
- Tonnage Acquisition and Ship disposal challenges.
- Cyber & Information Technology Security risk.
- Risk arising due to Epidemics , Pandemics, natural calamities, force majeure conditions

(ii) **Operational Risk:** Risk of loss resulting from inadequate infrastructure, support systems or sub-optimal processes, personnel and information & operating systems. Examples includes:

- Inadequate River Depth (LAD).
- Inadequate night navigation facility.
- Non-availability of suitable Terminal Facilities / Cranes etc.
- First & Last Mile connectivity issues.
- Increase in voyage days due to floating bridge handling and slow down of speed in upstream navigation.

- Increase in bunker consumption due to increase in number of voyage days.
- Low vessel utilisation due to draft restriction.
- (iii) **Reporting Risk:** Risk of inadequate internal or external reporting due to wrong financial as well as non-financial information in feasibility reports / pilot studies etc. owing to limited or non-availability of comparable operational / financial data / information with-in the industry as the industry is in a nascent stage of development. Examples includes:
 - Inaccurate reporting of business prospects, cost / revenue parameters, operational conditions, financial results etc.
 - Reporting of any other incorrect information.

Compliance Risk: Risk of loss resulting from legal and regulatory factors. Examples includes difficulty in closing various observations etc. due to non-availability of peer comparison, industry reports, benchmarks, standards etc.

7. TRAINING OF BOARD MEMBERS / FAMILIARISATION PROGRAM

The Board of Directors at their Meeting held on 27.01.2023 approved the Training Policy for Board Members. Currently the Directors/ Officers of SCI are holding the post of Directors on the Board of ICSL, hence no separate training is required in view that the Directors are well versed with the operations of the Company. Thus, the need to conduct a training/ familiarization program was not felt during the Financial Year 2023- 2024.

8. DECLARATION BY INDEPENDENT DIRECTORS

Ministry of Corporate Affairs (MCA) vide notification dated 05th July 2017 had amended the Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014 which states that unlisted public companies in the nature of wholly owned subsidiary of Public Companies are exempted from the requirement of appointing Independent Directors on their Board. Accordingly, as per Companies Act, 2013 and rules made thereunder ICSL is exempted from the requirement of appointing Independent Directors on the Board.

However, as per DPE's Guidelines on Corporate Governance the Board of Directors of the Company shall have an optimum combination of Functional, Nominee and Independent Directors. Currently, as per DPE Guidelines on Corporate Governance, ICSL does not have optimum combination of Directors on its Board by reason of absence of Independent / Nominee Directors on its Board. The Company is undertaking all necessary steps in coordination with appropriate authority to comply with DPE Guidelines.

9. DIRECTORS REMUNERATION

Appointment, terms and conditions of remuneration of Directors are determined by the Administrative Ministry i.e. MoPSW. The Directors of the Company do not draw remuneration from

the Company. Except for remuneration drawn by the Directors in their official capacity from holding company for their respective positions in the holding Company i.e. SCI, the Directors have or had no material pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, if any, during the three immediately preceding financial years or during the current financial year;

10. GENERAL BODY MEETINGS

8th Annual General Meeting Date, Time & Venue:

Thursday, 05th September, 2024 at 1400 hours IST at the Registered Office of the Shipping Corporation of India Limited, Mumbai.

(a) Details of last three Annual General Meetings are as follows:

Year	No. of AGM	Location	Date and Time	Special Resolutions passed thereat
2022-2023	07 th	Registered Office of the Shipping Corporation of India Limited, Mumbai	11.09.2023 at 1500 hours	Yes*
2021-2022	06 th	Registered Office of the Shipping Corporation of India Limited, Mumbai	27.09.2022 at 1400 hours	No
2020-2021	05 th	Registered Office of the Shipping Corporation of India Limited, Mumbai	17.08.2021 at 1630 hours	No

*One Special Resolution for approving alteration in Articles of Association of Company was passed at the 7th Annual General Meeting held on 11.09.2023.

(b) Details of Extra-Ordinary General Meeting

No Extra-Ordinary General Meeting was held during Financial Year.

11. Shareholding Pattern as on 31st March 2024.

Sr. No.	Name of Shareholder	Number of Shares held	Amount (In Rs.)
1	The Shipping Corporation of India Limited	10,49,998	104,99,980/-

2	Capt. Binesh Kumar Tyagi*	01	10/-
3	Shri Atul Ubale*	01	10/-
	Total	10,50,000	10,500,000/-

*Capt. Binesh Kumar Tyagi, CMD and Shri Atul Ubale Director (Bulk Carrier & Tanker),SCI were holding one share each of the Company as nominee of SCI.

12. AUDIT QUALIFICATIONS

There are no qualifications/reservations/ adverse remarks or disclaimers made by the Statutory Auditors in the Audit Report on the Financial Statements of the Company for the year ended 31.03.2024. Further, the Comptroller and Auditor General of India (C&AG) has given exemption to M/s Inland and Coastal Shipping Limited from the scope of supplementary audit of the financial statements for the year ended March 31, 2024 vide letter dated 12th July 2024 under section 143(6)(a) of the Companies Act, 2013.

13. MEANS OF COMMUNICATION

- a) **Website, News release, Presentation etc:** The official news releases are displayed on the website of Holding Company (SCI) at www.shipindia.com. You can find them under www.shipindia.com → Subsidiaries → ICSL or direct link https://www.shipindia.com/page/icsl_page
- b) **Annual Reports:** Annual Report of the Company inter-alia, contains the Audited Financial Statements, Directors Report, Auditors Report, Comments of the Comptroller and Auditor General of India, Report on Corporate Governance and Management Discussion and Analysis (MD&A) Report.
The Annual Reports and Financial Statements of ICSL are available on the website under following path www.shipindia.com → Subsidiaries → ICSL or direct link https://www.shipindia.com/page/icsl_page
- c) **Company Secretary:** Smt. Swapnita Vikas Yadav was appointed as Company Secretary of ICSL with effect from 27.04.2023. Prior to her appointment, Shri Mohammad Firoz served as Company Secretary for the period from 1.02.2023 to 26.04.2023.

14. DISCLOSURES

- a) **Related Party Disclosure:** There are no materially significant related party transactions that may have potential conflict with the interests of company at large. As per DPE

Guidelines there is no significant related party transactions of Board Members where they have personal interest.

- b) Compliance of DPE Guidelines on Corporate Governance:** As on 31st March, 2024, the Board of ICSL consists of total four (4) Directors comprising of one (1) Chairman and Managing Director viz. Capt. Binesh Kumar Tyagi and three (3) Non-Executive Directors viz Shri Vikram Dingley, Shri N Prakash Subramanya and Shri G. Vinod. Currently, as per DPE Guidelines on Corporate Governance, ICSL does not have optimum combination of Directors on its Board. Consequently, the Company has not constituted requisite Board-Level Committees as contemplated under various applicable laws. The Company is undertaking all necessary steps in coordination with appropriate authority to comply with DPE Guidelines. Further, no penalty has been imposed by the Statutory Authority on any matter related to any guidelines issued by Government, during the last three years.
- c) Whistle Blower Policy:** Currently, the Directors/ Officers of SCI are also working for ICSL. A Whistle Blower Policy has been formulated by our holding/ parent Company viz. SCI which was last reviewed on 09rd February 2024. The Company does not have its own Whistle Blower Policy.
- d) Items of expenditure debited in books of accounts, which are not for the purposes of the business:** NIL
- e) Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management:** NIL
- f) Details of Administrative and office expenses and finance expense as a percentage of total expenses with reason for increase:** The office and administration expenses as a percentage of total expenses are 5.1% in FY 2023-24 as against 7% in FY 2022-23. The finance expense as a percentage of total expenses are 0.1% in FY 2023-24 as against 0% in FY 2022-23. The reason for increase in finance expense is due to lease accounting.
- g) Details of Presidential Directives issued by the Central Government and their compliance during the year and also in the last three years:** NIL
- h) Details of the vigilance cases for the FY 2023- 2024:**
There are no employees on the payroll of the Company, hence the said requirement is not applicable to the Company.
- i) Status of Pending CAG Paras and Management Replies:**

As per Letter dated 12th July, 2024, C&AG has given exemption to the Company from the scope of supplementary audit of the financial statements.

15. COMPLIANCES

Your Company has complied with all applicable rules and requirements of regulatory authorities, laws, guidelines except as stated in this Report and no penalties or fines were imposed on the Company on any matter related to any guidelines issued by the Government during last three years.

16. DECLARATION OF COMPLIANCE OF CODE OF CONDUCT BY CHAIRMAN

Your Company is committed to conduct its business in accordance with the highest standards of business ethics and comply with applicable laws, rules and regulations. Your Company has adopted a Code of Business Conduct & Ethics for Board Members ("Code"), which is applicable to all Members of the Board who have confirmed compliance with Code of Conduct for the year under review. A copy of the said Code is available on the Company's Website under following tabs www.shipindia.com → Subsidiaries → ICSL → Policies or Code can be directly assessed on the following link https://www.shipindia.com/page/icsl_page/icsl_policies

A declaration signed by the Chairman of the Company is given below:

"It is hereby affirmed that the Company has obtained from all the Members of the Board, affirmation that they have complied with the Code of Business Conduct & Ethics for Board Members during the financial year 2023- 2024"

**For and on behalf of the Board of Directors
Inland & Coastal Shipping Limited**

**Place: Mumbai
Dated: 26.07.2024**

**sd/-
Capt. Binesh Kumar Tyagi
Chairman and Managing Director**

CHOUDHURY AGRAWAL & CO.

CHARTERED ACCOUNTANTS

12/2, Old Post office Street

3rd floor, Kolkata-700 001

Phone : 2248-7606, 2248-7069, 2248-7004

Web:- www.caindia.co

INLAND & COASTAL SHIPPING LIMITED

STATEMENT OF ACCOUNTS

Statutory Audit Report For The Year Ended 31st March, 2024.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INLAND & COASTAL SHIPPING LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of INLAND & COASTAL SHIPPING LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind-AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key Audit matters are those matters that in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. Those matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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, and we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance

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

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

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

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

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

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

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("the order") issued by the Central Government in terms of section 143 (11) of the Companies Act, 2013, we enclose in the Annexure-A, a statement on the matters specified in paragraph 3 & 4 of the said Order.
2. As required under subsection (5) of section 143 of the Act in case of a Government Company, we enclose in the Annexure-B, a statement on the matters specified in the directions issued by the office of the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind-AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - 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 Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-C; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. The company has not declared any dividend, so it need not transfer any amount to the Investor Education and Protection Fund.
 - iv. on the basis of the written representations received from the management other than



disclosed in the notes to accounts,

- no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
- no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

v. The company has not paid/declared any dividend.

vi. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

Place: 12/2 Old Post Office Street
KOLKATA - 700001
Date: 1st May, 2024
UDIN: 24065675BKABZM7416

For Choudhury Agrawal & Co.

Chartered Accountant

FRN: 310002E

(Rajat Agrawal)

Partner

Membership No. : 065675



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report for the year ended 31st March 2024 to the Members of Inland & Coastal Shipping Limited of even date)

- (i) (a) The Company does not have any Property, Plant & Equipment and Intangible Assets and hence reporting under clause (i) (a) to (i) (d) of paragraph 3 of the order is not applicable.
- (b) According to the information and explanations given to us ,No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder and accordingly, reporting under clause (i) (e) of paragraph 3 of the order is not applicable
- (ii) (a) According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals during the year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets & no material discrepancies were noticed on such verification.
- (b) the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause (ii)(b) of paragraph 3 of the order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, to companies, firms, Limited Liability Partnerships or any other parties, during the year hence reporting under clause (iii) (a) to (iii)(f) of paragraph 3 of the order is not applicable.
- (iv) According to the information and explanations given to us, the Company has not granted any loans, investments made, guarantees and securities provided, hence reporting under clause (iv) of paragraph 3 of the order is not applicable
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits or amount which are deemed to be deposits, within the meaning of section 73 to 76 of the Companies Act,2013 or any other relevant provisions of Companies Act and rule made thereunder.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the business activities carried out by the Company hence reporting under clause (vi) of paragraph 3 of the order is not applicable
- (vii) (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service



tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, and no such statutory dues was outstanding as at the last day of the financial year under review for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues as referred in sub-clause (a) above, which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 hence reporting under clause (viii) of paragraph 3 of the order is not applicable
- (ix) (a) The Company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - (a) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
 - (b) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year.
 - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - (e) The Company has no subsidiaries, associates or Joint Ventures and hence reporting under clause (ix) (e) & (ix) (f) paragraph 3 of the order is not applicable
- (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.
 - (b) the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company have been noticed or reported during the year.
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (c) No whistle blower complaints have been received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such

transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

- (xiv) In our opinion, the Company is not required to have an internal audit system. Accordingly, paragraph (xiv) (a) and (xiv) (b) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph (xv) of the Order is not applicable.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance Activities without a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India, 1934, if applicable.
- (c) In our opinion, the Company is not a Core Investment company as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.
- (d) In our opinion, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- (xvii) The Company has reported cash losses amounted to Rs. 97,11,218/- during the financial year and Rs 68,13,365/- the immediately preceding financial year.
- (xviii) There has been rotation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, the provisions relating to Corporate Social Responsibility (CSR) in the Companies Act, 2013



are not applicable to the Company for the year under review and hence, reporting under this clause is not applicable.

- (xxi) The Company does not have any subsidiaries, associates and joint ventures and hence, reporting under this clause is not applicable.

Place:12/2 Old Post Office Street
KOLKATA - 700001
Date: 1st May, 2024
UDIN: 24065675BKABZM7416

For Choudhury Agrawal & Co.

Chartered Accountants

FRN: 310002E

(Rajat Agrawal)

Partner

Membership No. : 065675



ANNEXURE “B” TO THE INDEPENDENT AUDITORS REPORT

Directions under Section of 143(5) of the Companies Act, 2013 on the Accounts of Inland & Coastal Shipping Limited for the year ended March 31,2024.

Sl. No	Directions	Remarks
1.	Whether the company has system in place to process all the accounting transactions through IT System? If yes, the implication of processing of accounting transaction outside IT system on the integrity of accounts along with the financial implications, if any, may be stated.	The Company has only one accounting system i.e., SAP. There are no transactions which are accounted outside the IT systems.
2.	Whether there is any restructuring of an existing loan or cases of waive/write off of debts/loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	During the year under review the company did not have any existing loans or an cases of waive/ write off of debts/ loans / interest.
3.	Whether funds received/ receivable for specific schemes from Central/ State agencies were properly accounted for /utilized as per its terms and conditions? List the cases of deviation.	During the year under review the company has not received/ receivable for any specified schemes from Central/State Agencies.

For Choudhury Agrawal & Co.

Chartered Accountants

FRN: 310002E



(Rajat Agrawal)

Partner

Membership No. : 065675



Place:12/2 Old Post Office Street

KOLKATA - 700001

Date: 1st May,2024

UDIN: 24065675BKABZM7416

ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Inland & Coastal Shipping Limited of even date)

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

We have audited the internal financial controls over financial reporting of INLAND & COASTAL SHIPPING LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial



statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization 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.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For Choudhury Agrawal & Co..

Chartered Accountants

FRN: 310002E



(Rajat Agrawal)

Partner

Membership No. : 065675



Place: 12/2 Old Post Office Street

KOLKATA - 700001

Date: 1st May, 2024

UDIN: 24065675BKABZM7416

INLAND & COASTAL SHIPPING LTD

CIN: U61100WB2016GOI217822

Regd Off: Shipping House, 13, Strand Road, Kolkata, West Bengal, 700001

Balance Sheet as at March 31, 2024

(INR in Lakhs)

Particulars	Notes	As at 31 March 2024 (Audited)	As at 31 March 2023 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment and Intangible assets		-	-
Capital work-in-progress		-	-
Goodwill		-	-
Other intangible assets		-	-
Right-of-Use Assets	02	0.29	0.00
Financial assets			
i. Investments		-	-
ii. Loans		-	-
iii. Other financial assets		-	-
Deferred tax assets (net)		-	-
Income tax assets (net)	03	-	-
Other non-current assets		-	-
Total Non-Current Assets		0.29	0.00
Current Assets			
Inventories	04	7.74	1.07
Financial assets			
i. Investments		-	-
ii. Trade receivables	05	42.76	4.47
iii. Cash and cash equivalents	06	20.02	24.03
iv. Bank balances other than (iii) above	07	-	-
v. Loans		-	-
vi. Other financial assets	08	0.04	0.04
Other Current assets	09	52.85	60.09
Total Current Assets		123.41	89.69
Total Assets		123.70	89.69
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	105.00	105.00
Other equity	11	(288.81)	(191.70)
Total Equity		(183.81)	(86.70)
LIABILITIES			
Non-Current Liabilities			
Financial liabilities			
i. Borrowings	12	246.88	139.88
ii. Lease Liabilities	13	0.17	0.00
iii. Other financial liabilities	17	9.53	5.66
Provisions	14	-	-
Tax liabilities (net)	15	-	-
Other non-current liabilities	18	6.94	6.94
Total Non Current Liabilities		263.51	152.48
Current Liabilities			
Financial liabilities			
i. Borrowings		-	-
ii. Lease Liabilities	13	0.16	0.00
iii. Trade payables	16	-	-
(a) total outstanding dues of micro enterprises and small enterprises; and		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		27.51	19.37
iv. Other financial liabilities	17	8.38	3.92
Provisions	14	-	-
Other Current Liabilities	18	7.94	0.61
Total Current Liabilities		43.99	23.91
Total Liabilities		307.51	176.39
TOTAL EQUITY & LIABILITIES		123.70	89.69


The accompanying notes no. 1 to 31 are an integral part of these Standalone Financial Statements.

For and on behalf of the Board of Directors,

As per our report of even date attached hereto.


Capt. B. K. Tyagi
Chairman & Managing Director
DIN - 08966904


Mr. N Subramanya Prakash
Director
DIN - 09738001


Mrs. Swapnita Yadav
Company Secretary


CA Rajat Agrawal
Partner, M No. 065675
Choudhury Agrawal & Co., Chartered Accountants
Firm Regn. No.: 310002E
Kolkata dated: 1st May, 2024



Mumbai dated: 26.04.2024



UDIN: 24065675 BKA 24 7416

INLAND & COASTAL SHIPPING LTD
CIN: U61100WB2016GOI217822
Regd Off: Shipping House, 13, Strand Road, Kolkata, West Bengal, 700001
Statement of Profit & Loss for the year ended March 31, 2024

(INR in Lakhs)

Sr No.	Particulars	Notes	Year ended	
			31 March 2024 (Audited)	31 March 2023 (Audited)
1	Revenue from operations	19	49.13	5.95
2	Other income	20	1.21	50.32
3	Total Income (1+2)		50.33	56.27
	Expenses			
	Cost of Services rendered	21	139.29	115.77
	Employee benefits expense		-	-
	Finance costs	22	0.13	0.00
	Depreciation and amortisation expense	23	0.44	0.00
	General, administration and other expenses	24	7.59	8.58
4	Total expenses (4)		147.45	124.36
5	Profit / (Loss) before exceptional items and tax (3-4)		(97.11)	(68.08)
6a	Exceptional items		-	-
6b	Prior Period Expenses		-	0.05
7	Profit / (Loss) before tax (5-6)		(97.11)	(68.13)
	Tax expense			
	-Current tax		-	-
	-Tax pertaining to earlier years		-	-
	-Deferred tax		-	-
	-MAT Credit Entitlement		-	-
8	Total tax expense (8)		-	-
9	Profit / (Loss) for the period (7-8)		(97.11)	(68.13)
	Other comprehensive income			
	Items that will not be reclassified to profit or loss:		-	-
10	Other comprehensive income for the period, net of tax (10)		-	-
11	Total comprehensive income for the period (9+10)		(97.11)	(68.13)
12	Earnings per equity share	25		
	Basic earnings per share		(9.25)	(6.49)
	Diluted earnings per share		(9.25)	(6.49)

The accompanying notes no. 1 to 31 are an integral part of these Standalone Financial Statements.

For and on behalf of the Board of Directors,

B.K. Tyagi
Capt. B. K. Tyagi
 Chairman & Managing Director
 DIN - 08966904

N. Subramanya Prakash
Mr. N Subramanya Prakash
 Director
 DIN - 09738001

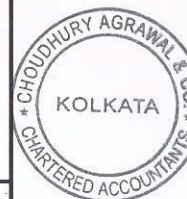
Swapnita Yadav
Mrs. Swapnita Yadav
 Company Secretary

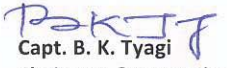

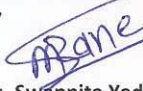

As per our report of even date attached hereto,

Rajat Agrawal
CA Rajat Agrawal
 Partner, M No. 065675
 Choudhury Agrawal & Co., Chartered Accountants
 Firm Regn. No.: 310002E
 Kolkata dated: 1st May 2024

UDIN: 24065675BKAB2N7416

Mumbai dated: 26.04.2024



INLAND & COASTAL SHIPPING LTD Statement of Cash Flow for the Year ended March 31, 2024 CIN: U61100WB2016GOI217822			(INR in Lakhs)
Particulars	Year Ended 31 March 2024 (Audited)	Year Ended 31 March 2023 (Audited)	
A Cash Flow from operating activities			
Profit / (Loss) before income tax	(97.11)	(68.13)	
Adjustments for			
Add:			
Finance costs	0.13	0.00	
Depreciation	0.44	0.00	
Less:			
Interest received	(0.00)	(0.01)	
Change in operating assets and liabilities			
(Increase)/decrease in other financial assets	0.00	26.83	
(Increase)/decrease in trade receivable	(38.28)	(0.45)	
(Increase)/decrease in inventories	(6.67)	2.01	
(Increase)/decrease in other current assets	7.23	(25.53)	
Increase/(decrease) in other financial liabilities	8.32	3.92	
Increase/(decrease) in trade payable	8.14	(3.52)	
Increase/(decrease) in provisions	-	(10.58)	
Increase/(decrease) in other current liabilities	7.33	(0.59)	
Cash generated from operations	(110.48)	(76.03)	
Income taxes paid	-	-	
Net cash inflow (outflow) from operating activities (A)	(110.48)	(76.03)	
B Cash flow from investing activities:			
Proceeds from sale of current investments	-	-	
Purchase of current investments	-	-	
Interest received	0.00	0.01	
Net cash Inflow (outflow) from investing activities (B)	0.00	0.01	
C Cash flow from financing activities			
Share Application Money pending allotment	-	-	
Loan from SCI Ltd	107.00	89.88	
Payment of Lease Liability	(0.53)	(0.00)	
Net cash inflow (outflow) from financing activities (C)	106.47	89.88	
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(4.01)	13.85	
Add: Cash and cash equivalents at the beginning of the financial year	24.03	10.18	
Cash and cash equivalents at the end of the year	20.02	24.03	
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents	20.02	24.03	
Bank overdrafts	-	-	
Total	20.02	24.03	
The accompanying notes no. 1 to 31 are an integral part of these Standalone Financial Statements.			
For and on behalf of the Board of Directors,		As per our report of even date attached hereto.	
 Capt. B. K. Tyagi Chairman & Managing Director DIN - 08966904	 Mr. N Subramanya Prakash Director DIN - 09738001	 Mrs. Swapnita Yadav Company Secretary	 CA Rajat Agrawal Partner, M No. 065675 Choudhury Agrawal & Co., Chartered Accountants Firm Regn. No.: 310002E Kolkata dated: 1 st May, 2024 UDIN: 24065675 BKA BZM 7416



INLAND & COASTAL SHIPPING LTD
Standalone Statement of Changes in Equity
CIN: U61100WB2016GOI217822

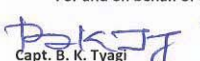
(INR in Lakhs)

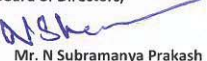
A. Equity Share Capital (Refer Note 10)	As at 31 March 2024		As at 31 March 2023	
	No of Shares	Amount (Rs.)	No of Shares	Amount (Rs.)
Balance at the beginning of the reporting period	10.50	105.00	10.50	105.00
Add: Issued during the year	-	-	-	-
Add: Issue of Bonus Shares	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Balance at the end of the reporting period	10.50	105.00	10.50	105.00


B. Other Equity								
	Share application money pending allotment	Capital Reserve	Securities Premium Reserve	Retained Earnings	Reserves and Surplus			Total equity
					Other Reserves			
					General Reserve	Tonnage Tax Reserve	Tonnage Tax Reserve (utilized)	
Balance as at 31st March 2022	-	-	-	(123.56)	-	-	-	(123.56)
Profit for the year 2022-23	-	-	-	(68.08)	-	-	-	(68.08)
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	(68.08)	-	-	-	(68.08)
Share Allotment	-	-	-	-	-	-	-	-
Transfer from debenture redemption reserve	-	-	-	-	-	-	-	-
Transfer to debenture redemption reserve	-	-	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-	-	-
Balance as at 31st March 2023	-	-	-	(191.65)	-	-	-	(191.65)
Profit for the year 2023-24	-	-	-	(97.11)	-	-	-	(97.11)
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	(97.11)	-	-	-	(97.11)
Share Allotment	-	-	-	-	-	-	-	-
Transfer from debenture redemption reserve	-	-	-	-	-	-	-	-
Transfer to debenture redemption reserve	-	-	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-	-	-
Balance as at 31st March 2024	-	-	-	(288.76)	-	-	-	(288.76)

The accompanying notes no. 1 to 31 are an integral part of these Standalone Financial Statements.

For and on behalf of the Board of Directors,



Capt. B. K. Tyagi
 Chairman & Managing Director
 DIN - 08966904


Mr. N Subramanya Prakash
 Director
 DIN - 09738001


Mrs. Swapna Yadav
 Company Secretary

Mumbai dated: 26.04.2024

As per our report of even date attached hereto.


CA Rajat Agrawal
 Partner, M No. 065675
 Choudhury Agrawal & Co., Chartered Accountants
 Firm Regn. No.: 310002E
 Kolkata dated: 1st May 2024
 UDIN: 24065675 BKAB7M-7416



Note 01 – Material Accounting Policy information

General information

Inland & Coastal Shipping Limited (I&CSL) has been formed as a wholly owned subsidiary of The Shipping Corporation of India Limited (SCI) with Corporate Office at Kolkata on 29.09.2016 to harness business potential in the areas of Inland and Coastal Shipping. The Company has recently become operational and entered into a Memorandum of Understanding (MOU) with Inland Waterways Authority of India (IWAI) whereby the Company has been entrusted with the operation and management of 3 containerized / break bulk and 2 RORO Vessels plying in the Inland Waterways of India on Bare Boat charter basis. The Company has so far taken hand over and engaged in operation and management of 1 containerized, 1 break bulk and 1 RORO Vessel.

The registered office of the Company is located at Shipping House, 13, Strand Road, Kolkata – 700 001.

These financial statements are approved for issue by the Board of Directors on 26 April, 2024.

1. Basis of preparation, measurement and material accounting policy information

The principal accounting policies applied in the preparation of these financial statements are set out below.

1.1 Basis of Preparation

(a) Compliance with Indian Accounting Standards

The financial statements of the company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act") and current practices prevailing within the Shipping Industries in India. The policies set out below have been consistently applied during the year presented.

(b) Historical cost convention

The financial statements have been prepared under the historical cost convention.

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis". Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the balance sheet date.

The financial statements are presented in 'Indian Rupees' (INR), which is also the Company's functional currency, unless otherwise stated.

1.2 Cash and cash equivalents

Cash and cash equivalents includes cash at bank and in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less from date of acquisition.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

1.3 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.



1.4 Earnings per share

Basic and Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

1.5 Cash flow statement

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

1.6 Investment

All investments have been recorded as per transaction cost.

1.7 Inventories

Inventories are valued at cost (as determined on Moving Average/Weighted Average method) or net realisable value, whichever is lower, unless otherwise stated.

Fuel oil purchases are initially booked as stock. The value of year-end stock is arrived at after charging consumption on "moving average /weighted average" method.

Store/Spares/Lubricants including paints, etc. are charged to revenue as consumed when delivered to ships.

1.8 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

1.9 Lease Accounting

The Company has implemented the Ind AS 116 w.e.f. 22nd January 2021 for its Leases with the taking over of the first Vessel under the MOU with IWAI. This has resulted in recognising a lease liability measured at present value of the remaining lease payments and a corresponding Right-of-Use (ROU) asset as if the lease has been commenced w.e.f. 22nd January 2021.

For the purpose of calculating the present value, the interest rate implicit in the lease or an incremental borrowing rate is used as discount factor. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset. Determination of the incremental borrowing rate requires estimation.

The Company has formed its judgements and assumptions based on historical experience, internal and external information and data available and applied the SBI base rate as the borrowing rate since the Company has no historical data for similar circumstances and any borrowing capacity of its own as on date.

The Company has elected to apply the requirements of Ind AS 116 to long term leases with lease term beyond 1 year. The rights of use assets are depreciated on a straight line basis over a lease term. Expense for the Lease accounting has been considered in the nature of depreciation cost for the right-of-use asset and finance cost for interest accrued on lease liability.



1.10 Trade Receivables

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are recognized at fair value.

1.11 Trade Payables

Trade payables are amounts due to vendors for purchase of goods or services received in the ordinary course of business. Trade payables are recognized at fair value.

1.12 Revenue Recognition

Revenue Income is recognised in the Statement of Profit and Loss when:

- The income generating activities have been carried out on the basis of a binding agreement
- The income can be measured reliably
- It is probable that the economic benefits associated with the transaction will flow to the Company
- Costs relating to the transaction can be measured reliably

Revenue for all businesses is recognised when the performance obligation has been satisfied, which happens upon the transfer of control to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the goods and services.

Revenue is recognised when or as performance obligations are satisfied by transferring the promised goods or services to the customer, provided that the stage of completion can be measured reliably.

Revenue mainly comprises of freight whereby the freight comprises of revenue generated from multimodal transportation activities including end to end logistics.

Cost of services rendered includes port expenses, bunkers (Fuel Oil), cargo related expenses, stores, spares, repair and maintenance expenses, Insurance expenses, Manning expenses etc.

Financial expenses - Financial expenses comprise interest expenses.

Other expenses – Other expenses which comprise office expenses, provisions, managements cost and other expenses relating to administration.

1.13 Financial Assistance

Financial assistance is received from IWAI for direct deployment of the Vessels by the Company for voyages undertaken through Inland Waterways. The assistance is received as compensation for expenses or losses already incurred net of any income derived from the voyages. Accounting for the same is undertaken as per Ind AS 20 – Accounting for Government Grants and Disclosure of Government Assistance.

The assistance that becomes receivable as compensation for expenses or losses already incurred is recognized within other income in profit or loss of the period in which it becomes receivable.



INLAND & COASTAL SHIPPING LTD
Notes to Standalone Financial Statements
CIN: U61100WB2016GOI217822

(INR in Lakhs)

02. RIGHT OF USE ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
Gross Carrying amount		
Opening Gross Carrying amount	0.00	0.00
Additions during the Year	0.74	-
Closing Gross Carrying amount	0.74	0.00
Accumulated Depreciation		
Opening Accumulated Depreciation	0.00	0.00
Depreciation charge for the period	0.44	0.00
Closing Accumulated Depreciation	0.44	0.00
Net Carrying Amount	0.29	0.00

03. INCOME TAX ASSET (NET)

Particulars	As at 31 March 2024	As at 31 March 2023
TDS on Accrued Interest on Term Deposit	-	-
Income tax (net)	-	-

04. INVENTORIES

Particulars	As at 31 March 2024	As at 31 March 2023
Fuel Oil	7.74	1.07
Total Inventories	7.74	1.07

05. TRADE RECEIVABLES

Particulars	As at 31 March 2024	As at 31 March 2023
Trade Receivable	42.76	4.47
Total Receivables	42.76	4.47
Current portion	42.76	4.47
Non Current portion	-	-

AGEING OF TRADE RECEIVABLES

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables - Considered good	40.26	-	2.49	-	-	42.76
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed Trade Receivables-considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total Trade Receivables	40.26	-	2.49	-	-	42.76

06. CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with Banks		
- in Current Accounts	20.02	24.03
Total cash and cash equivalents	20.02	24.03

07. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2024	As at 31 March 2023
Other Deposits with Banks	-	-
Total Bank balances other than cash and cash equivalents	-	-

08. OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2024		As at 31 March 2023	
	Current	Non Current	Current	Non Current
Income accrued on deposits/investments	-	-	-	-
Security Deposit to Vendors	0.04	-	0.04	-
Unbilled Revenue (Contract Asset)	-	-	-	-
Total other financial assets	0.04	-	0.04	-



09. OTHER CURRENT ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
Advance to Others	-	-
Others		
- GST Receivables*	41.27	27.26
- TCS Receivable (Income Tax)	-	0.06
- TDS Receivable (Income Tax)	0.32	0.13
- Financial Assistance receivable from IWA	11.26	32.64
- Prepaid Lease Liability - Vessels	0.00	0.00
- Prepaid Interest On Lease Liability	0.00	0.00
- Prepaid Expenses	-	-
Total Other Assets	52.85	60.09

* The GST receivables have been calculated on net basis after adjusting GST output liabilities
As a prudent practice, the Company is taking Goods and Service Tax Credit in the Electronic Credit Ledger upon payment of the liabilities and verification with 2B ledger on the GST portal. Hence, there is a difference in the amount of credit appearing in books of accounts and the Electronic Credit Ledger of the Company. Therefore, the balance in Input Tax Credit ledgers will be progressively reviewed and reconciled for availment and adjustment of Goods and Service Tax credit by the Company.

10. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
1,00,00,000 [31 Mar 2023: 1,00,00,000] Equity Shares of INR 10 each	1,000.00	1,000.00
Issued, subscribed and fully paid up		
10,50,000 [31 Mar 2023: 50,000] Equity Shares of INR 10 each	105.00	105.00
	105.00	105.00

(a) Reconciliation of number of shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	10.50	105.00	10.50	105.00
Add: Issued during the year	-	-	-	-
Add: Bonus Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Balance as at the end of the year	10.50	105.00	10.50	105.00

(b) Details of equity shares held by shareholders holding more than 5% of the aggregate shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of share holding	Number of shares	% of share holding
Equity Shares :				
The Shipping Corporation of India Ltd.	10.50	100%	10.50	100%
Balance as at the end of the year	10.50	100%	10.50	100%

(c) Details of equity shares held by promoters

Promoter name	As at 31 March 2024		As at 31 March 2023		% change during the year
	Number of shares	% of total shares	Number of shares	% of share holding	
Equity Shares :					
The Shipping Corporation of India Ltd.	10.50	100%	10.50	100%	0%
Balance as at the end of the year	10.50	100%	10.50	100%	

(d) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared, no shares have been issued for consideration other than cash, no shares have been issued as bonus shares & no shares have been bought back.

(e) Rights/Preference/Restriction attached to Equity Shares

The Company has only one class of Equity shares having par value of Rs 10 till date. Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the company after distribution of all preferential allotment in proportion to their shareholding. The dividend whenever proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(f) There are no shares reserved for issue under option and contract/ commitment for the sale of shares/ disinvestment.

11. OTHER EQUITY

Particulars	As at 31 March 2024	As at 31 March 2023
Capital reserve	-	-
Securities premium reserve	-	-
General reserve	-	-
Retained Earnings (a)	(288.81)	(191.70)
Share application money pending allotment	-	-
Closing Balance	(288.81)	(191.70)

(a) RETAINED EARNINGS

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	(191.70)	(123.56)
Add: Profit / (Loss) for the year	(97.11)	(68.13)
Closing Balance	(288.81)	(191.70)

12. NON-CURRENT BORROWINGS

Particulars	As at 31 March 2024	As at 31 March 2023
Loan from related parties - Unsecured	246.88	139.88
(Loan from Holding Company - SCI Ltd)		
Closing Balance	246.88	139.88

13. LEASE LIABILITIES

Particulars	As at 31 March 2024		As at 31 March 2023	
	Current	Non Current	Current	Non Current
Lease liabilities	0.16	0.17	0.00	0.00
Total Lease Liability	0.16	0.17	0.00	0.00



INLAND & COASTAL SHIPPING LTD
Notes to Standalone Financial Statements
CIN: U61100WB2016GOI217822

(INR in Lakhs)

14. PROVISIONS

Particulars	As at 31 March 2024		As at 31 March 2023	
	Current	Non Current	Current	Non Current
Other Provisions				
Total Provisions made	-	-	-	-

15. TAX LIABILITIES (NET)

Particulars	As at 31 March 2024	As at 31 March 2023
MAT @ 18.5% of book profits and 4% education cess is applicable, pertaining to FY 2018-19	-	-
Total tax liabilities	-	-

16. TRADE PAYABLES

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises; and	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	27.51	19.37
Total Trade Payables	27.51	19.37

Disclosure requirement under MSMED Act, 2006

Particulars	As at 31 March 2024	As at 31 March 2023
(a) (i) the principal amount remaining unpaid to any supplier at the end of each accounting year;	-	-
(ii) the interest due hereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The information has been given in respect of such vendors to the extent they could be identified as Micro, Small and Medium enterprises on the basis of information available with the Company.

AGEING OF TRADE PAYABLES

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	27.51	-	-	-	27.51
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total Trade Payables	27.51	-	-	-	27.51

17. OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2024		As at 31 March 2023	
	Current	Non Current	Current	Non Current
Financial Liabilities at amortised cost				
Security deposits	8.25	9.53	3.86	5.66
Lease Rent Payable Outstanding	0.00	-	-	-
GST TDS Payable	0.14	-	0.06	-
Total Other Financial Liabilities	8.38	9.53	3.92	5.66

18. OTHER LIABILITIES

Particulars	As at 31 March 2024		As at 31 March 2023	
	Current	Non Current	Current	Non Current
Deferred Trade Receivable (Contract Liability)	6.35	-	-	-
Statutory Audit Fees payable (LR Q2)	0.30	-	0.25	-
TDS Payable (Income Tax)	0.23	-	0.33	-
Others*	1.07	6.94	0.03	6.94
Total Other Current Liabilities	7.94	6.94	0.61	6.94

***Others include**

(a) Provision for Trade license application amounting to Rs. 2,500 (Rupees Two Thousand Five Hundred) has been made in 2016-17 as per requirement of respective Acts is still carried forward. The amount will be adjusted at actuals.

(b) Liability booked for Initial Inventory Transfer (Fuel Oil) during delivery taken of vessels on long time charter from IWA, basis survey report of stock on board and market rates prevailing at the time amounting to Rs. 7.98 lakhs for three vessels. During handing over or redelivery of vessels the valuation of the stock on board will be made basis survey report and prevailing market rates at the time of redelivery. The liability to the extent will be adjusted and the differential amount will be settled at actuals as receivable / payable as the case may be. This is as per standard practice of shipping business and in consonance with standard procedures being followed by the Holding Company.



INLAND & COASTAL SHIPPING LTD
Notes to Standalone Financial Statements
CIN: U61100WB2016GOI217822

(INR in Lakhs)

19. REVENUE FROM OPERATIONS

Particulars	Year Ended 31 March 2024 (Audited)	Year Ended 31 March 2023 (Audited)
Revenue From Operations		
(a) Freight Income	1.07	2.78
(a) Charter Hire Income	48.05	3.17
Total	49.13	5.95

20. OTHER INCOME

Particulars	Year Ended 31 March 2024 (Audited)	Year Ended 31 March 2023 (Audited)
Interest on Financial Assets carried at amortized cost		
(a) Fixed deposits with banks	-	-
(b) Others-Interest on Income Tax Refund	0.00	0.01
Financial Assistance from IWAI	1.13	50.31
Sundries Incidental	0.08	-
Total	1.21	50.32

21. COST OF SERVICES RENDERED

Particulars	Year Ended 31 March 2024 (Audited)	Year Ended 31 March 2023 (Audited)
Cost Of Services Rendered		
(i) <u>Direct Expenses</u> :		
(a) Container Rental Expenses	2.32	1.35
(b) Fuel Oil (Net)	51.71	45.33
(c) Terminal Handling Charges	1.18	0.67
(d) Container Handling & Transportation Charges	0.85	2.93
(e) Port Expenses	0.50	1.00
(f) Manning Expenses	42.25	34.12
(g) Lub Oil	0.58	0.62
(h) Agency Charges	1.22	0.05
(i) Stores	0.74	3.85
(j) Spares	2.52	4.21
(k) Transport Expenses	0.02	0.25
(l) Gain/Loss on accounting for bunker	-	-
(ii) <u>Indirect Expenses</u> :		
(a) Cargo Insurance	-	-
(b) Vessel Insurance	33.54	10.57
(c) Repairs & Maintenance	0.91	10.70
(d) Inspection & Survey Charges	0.84	0.13
(e) Sundry Steamer Charges	0.12	-
Total	139.29	115.77

22. FINANCE COST

Particulars	Year Ended 31 March 2024 (Audited)	Year Ended 31 March 2023 (Audited)
Interest On Lease Liability	0.13	0.00
Total	0.13	0.00

23. DEPRECIATION & AMORTISATION EXPENSES

Particulars	Year Ended 31 March 2024 (Audited)	Year Ended 31 March 2023 (Audited)
Depreciation on ROU Assets	0.44	0.00
Total	0.44	0.00



INLAND & COASTAL SHIPPING LTD
Notes to Standalone Financial Statements
CIN: U61100WB2016GOI217822

(INR in Lakhs)

24. GENERAL, ADMINISTRATION & OTHER EXPENSES

Particulars	Year Ended 31 March 2024 (Audited)	Year Ended 31 March 2023 (Audited)
Profession Tax - Employers Contribution	0.03	0.03
Bank Charges	0.00	0.00
Payment to auditors	-	-
Statutory auditors	-	-
(a) Audit fees (Statutory)	0.30	0.25
(b) Certification Work	-	-
(c) Out of pocket expenses	-	-
(d) GST Paid on Audit Fees	-	-
(e) Audit fees (Limited Review)	0.17	0.11
Professional fees	0.80	0.92
Filing Fees	0.04	-
Interest expenses	-	0.02
Office Rent	(0.35)	0.17
Management Expenses	6.43	6.43
GST ineligible ITC	0.16	0.65
Office Expenses	0.01	-
Miscellaneous Exps	-	0.01
Rounding Off Difference	0.00	0.00
Total	7.59	8.58

25. EARNINGS PER SHARE

Particulars	Year Ended 31 March 2024 (Audited)	Year Ended 31 March 2023 (Audited)
Weighted Average Number of Equity Shares used as denominator for calculating	10,50,000.00	10,50,000.00
Basic and Diluted Earning Per Share (EPS)	10.00	10.00
Face Value per Equity Share		
Basic Earning Per Share	(9.25)	(6.48)
Diluted Earning Per Share	(9.25)	(6.48)



INLAND & COASTAL SHIPPING LTD
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(INR in Lakhs)

26. DEFERRED TAX ASSET OR LIABILITY

Timing difference has not been originated during the year hence no Deferred Tax Asset or Liability has been recognised as per Ind AS 12

27. REGROUPING / REARRANGEMENT

The figures of previous year have been regrouped or rearranged wherever necessary to confirm to current year's presentation as per schedule III (Division II) to the Companies Act 2013

28. RELATED PARTY TRANSACTIONS

(a) ICSL is a wholly owned subsidiary of SCI.

(b) Key Management Personnel:

- a) Capt B K Tyagi (Chairman & Managing Director)
- b) Shri N Subramanya Prakash (Director)
- c) Shri G Vinod (Director)
- d) Shri Vikram Dingley (Director)
- e) Smt Swapnita Yadav (Company Secretary)

* Key management personnel compensation is NIL

(c) Transactions and Outstanding Balances with SCI Ltd

Nature of Transactions	31 March 2024	31 March 2023
(1) Expenses Reimbursed during the year	37.37	11.61
(2) Share application money received, pending allotment	-	-
(3) Share Allotment	-	-
(4) Loan received	107.00	89.88
(5) Other Payables	15.32	13.71

Outstanding Balances	31 March 2024	31 March 2023
(1) Loan Received	246.88	139.88
(2) Other Payables	8.32	-

(d) Transactions with Government related entities

Government related entities along with description of relationship wherein transaction carried out:

Name of Related Party	Relation	Nature of Transaction	31 March 2024	31 March 2023
Inland Waterways Authority of India	Ministry of Port, Shipping & Waterways	Recovery of reimbursable expenses	4.63	73.53
Inland Waterways Authority of India	Ministry of Port, Shipping & Waterways	Expenses Paid	1.28	-
Indian Oil Corporation Limited	Central PSU	Purchases of Bunker, Oil etc	33.78	25.94

Government related entities along with description of relationship wherein balance receivable/payable from/to related parties are as follows:

Name of Related Party	Relation	Nature of Transaction	31 March 2024	31 March 2023
Inland Waterways Authority of India	Ministry of Port, Shipping & Waterways	Financial Assistance receivable	11.26	32.64
Inland Waterways Authority of India	Ministry of Port, Shipping & Waterways	Trade Payable	-	0.89
Food Corporation of India	Ministry of Consumer Affairs, Food and Public Distribution	Trade Receivable	-	1.98
Indian Oil Corporation Limited	Central PSU	Advance to Vendor	0.09	-

29. LEASE

The Company as lessee has agreements/contracts relating to charter in of Vessel on time basis and Office Space. The right-of-use asset and lease liability are disclosed in the financial statements at note no 2 & 13 respectively. The lease of Office Space from its Holding Company (SCI) is for a period of 5 years w.e.f. 1st April 2021. Based on prudent accounting principles, accounting as per Ind AS 116 has been done on and from second quarter of current financial year. The effects of changes being within the threshold limit of 5% of total income or total expense of previous year, as approved by the Board, the same has been recognised in the current financial year and no prior period adjustment has been made. The net impact of Rs. 4,362.41 of additional expense as per the Ind AS has been adjusted in the profit & loss of current year.

The following table shows the effects of Leases in the Statement of the Profit and Loss in financial year 2023-24 :

Amounts recognised in profit and loss	31 March 2024	31 March 2023
Depreciation cost on right-of-use assets	0.44	0.00
Interest expenses (included in finance costs)	0.13	0.00
Expenses relating to service elements of leases	-	-
Expenses relating to short-term leases	-	-
Expenses relating to variable lease payments	-	-
Expenses relating to leases of low-value assets	-	-
Gain/Loss from sale & lease back transactions	-	-
Total recognised in operating costs	0.57	0.00

Total cash outflow impact for leases for the year 2023-24 was Rs 0.53 lakhs, of which Rs 0.13 lakhs relates to interest expense.

LEASE COMMITMENTS

As a Lessee - Payments

At the balance sheet date, the Company has the following contractual committed future minimum lease payables under non-cancellable operating leases from contracts of hire of Vessels & Office Space in the aggregate and each of the following periods:

	31 March 2024*	31 March 2023
Not later than 1 year	0.18	0.00
Later than 1 year and not later than 5 years	0.18	0.00
Later than 5 Years	-	-

*The lease payables include both interest and principal cash flows.



INLAND & COASTAL SHIPPING LTD
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(INR in Lakhs)

30. ANALYTICAL RATIOS

Ratio	UNITS	As at 31 March 2024	As at 31 March 2023	Variance
		Ratio	Ratio	
Current Ratio	Times	2.81	3.75	(25.07)
(Current Assets/Current Liabilities)				
Reason For Variance :- Majorly due to increase in trade payables				
Debt- Equity Ratio	Times	(1.34)	(1.61)	(16.77)
(Total Debt/Shareholder's Equity)				
Debt Service Coverage Ratio	Times	Not Applicable	Not Applicable	Not Applicable
Return on Equity (ROE)	Percentage	Not Determinable	Not Determinable	Not Determinable
(PAT/Average Shareholder's Equity)				
Reason For Variance :- Due to accumulation of losses there is no effective return				
Inventory Turnover Ratio	Times	11.75	21.92	(46.40)
(Cost of goods sold or sales/Average Inventory)				
Reason For Variance :- Vessel on outcharter or standby during majority period				
Trade receivables turnover ratio	Times	2.08	0.77	170.13
(Net Credit Sales/Avg. Accounts Receivable)				
Reason For Variance :- Settlement time of receivables are delayed				
Trade payables turnover ratio	Times	5.94	4.38	35.62
(Net Credit Purchases/Average Trade Payables)				
Reason For Variance :- Settlement delay at the end of financial year due to shortage of immediate free funds				
Net capital turnover ratio	Times	0.62	0.09	588.89
(Net Sales/Working Capital)				
Reason For Variance :- Majorly due to increase in revenue booking				
Net profit ratio	Percentage	(197.68)	(1,144.33)	(82.73)
(Net Profit/Net Sales)				
Reason For Variance :- Majorly due to increase in revenue from operation				
Return on capital employed (ROCE)	Percentage	Not Determinable	Not Determinable	Not Determinable
EBIT/Capital Employed				
Reason For Variance :- Due to accumulation of losses there is no effective return				
Return on investment	Percentage	Not Applicable	Not Applicable	Not Applicable

31. OTHERS


- i) The Company does not hold any immovable property and no proceedings has been initiated or are pending against the company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988
- ii) The Company has not taken any loan creating charge against any of its assets
- iii) The Company has no transactions with Companies struck off u/s 248 of the Companies Act, 2013 as per records
- iv) The Company as a practice has sought confirmations of balances in respect of the Trade Receivables and Trade Payables. The Company is in the process of following up with the parties for the purpose of recovery / payment of dues. While the review and reconciliation is an on-going process, the management does not expect any material difference affecting the financial statements of the current year due to the same.


For Note No. 1 to 31 of Standalone Financial Statements

For and on behalf of the Board of Directors,

As per our report of even date attached hereto.


Capt. B. K. Tyagi
Chairman & Managing Director
DIN - 08966904


Mr. N Subramanya Prakash
Director
DIN - 09738001


Mrs. Swapnita Yadav
Company Secretary


CA Rajat Agrawal
Partner, M No. 065675
Choudhury Agrawal & Co., Chartered Accountants
Firm Regn. No.: 310002E
Kolkata dated: 1st May, 2024



Mumbai dated: 26.04.2024

UDIN - 24065675BKA B2 M7416



**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF INLAND & COASTAL SHIPPING LIMITED****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of INLAND & COASTAL SHIPPING LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind-AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key Audit matters are those matters that in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. Those matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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

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



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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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, and we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance

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

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

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

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

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

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

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("the order") issued by the Central Government in terms of section 143 (11) of the Companies Act, 2013, we enclose in the Annexure-A, a statement on the matters specified in paragraph 3 & 4 of the said Order.
2. As required under subsection (5) of section 143 of the Act in case of a Government Company, we enclose in the Annexure-B, a statement on the matters specified in the directions issued by the office of the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind-AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - 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 Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-C; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. The company has not declared any dividend, so it need not transfer any amount to the Investor Education and Protection Fund.
 - iv. on the basis of the written representations received from the management other than



disclosed in the notes to accounts,

- no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
- no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

v. The company has not paid/declared any dividend.

vi. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

Place: 12/2 Old Post Office Street
KOLKATA - 700001
Date: 1st May, 2024
UDIN: 24065675BKABZM7416

For Choudhury Agrawal & Co.

Chartered Accountant

FRN: 310002E



(Rajat Agrawal)

Partner

Membership No. : 065675



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report for the year ended 31st March 2024 to the Members of Inland & Coastal Shipping Limited of even date)

- (i) (a) The Company does not have any Property, Plant & Equipment and Intangible Assets and hence reporting under clause (i) (a) to (i) (d) of paragraph 3 of the order is not applicable.
- (b) According to the information and explanations given to us ,No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder and accordingly, reporting under clause (i) (e) of paragraph 3 of the order is not applicable
- (ii) (a) According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals during the year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets & no material discrepancies were noticed on such verification.
- (b) the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause (ii)(b) of paragraph 3 of the order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, to companies, firms, Limited Liability Partnerships or any other parties, during the year hence reporting under clause (iii) (a) to (iii)(f) of paragraph 3 of the order is not applicable.
- (iv) According to the information and explanations given to us, the Company has not granted any loans, investments made, guarantees and securities provided, hence reporting under clause (iv) of paragraph 3 of the order is not applicable
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits or amount which are deemed to be deposits, within the meaning of section 73 to 76 of the Companies Act,2013 or any other relevant provisions of Companies Act and rule made thereunder.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the business activities carried out by the Company hence reporting under clause (vi) of paragraph 3 of the order is not applicable
- (vii) (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service



tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, and no such statutory dues was outstanding as at the last day of the financial year under review for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues as referred in sub-clause (a) above, which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 hence reporting under clause (viii) of paragraph 3 of the order is not applicable
- (ix) (a) The Company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - (a) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
 - (b) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year.
 - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - (e) The Company has no subsidiaries, associates or Joint Ventures and hence reporting under clause (ix) (e) & (ix) (f) paragraph 3 of the order is not applicable
- (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.
 - (b) the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company have been noticed or reported during the year.
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (c) No whistle blower complaints have been received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such

transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

- (xiv) In our opinion, the Company is not required to have an internal audit system. Accordingly, paragraph (xiv) (a) and (xiv) (b) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph (xv) of the Order is not applicable.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance Activities without a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India, 1934, if applicable.
- (c) In our opinion, the Company is not a Core Investment company as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.
- (d) In our opinion, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- (xvii) The Company has reported cash losses amounted to Rs. 97,11,218/- during the financial year and Rs 68,13,365/- the immediately preceding financial year.
- (xviii) There has been rotation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, the provisions relating to Corporate Social Responsibility (CSR) in the Companies Act, 2013



are not applicable to the Company for the year under review and hence, reporting under this clause is not applicable.

- (xxi) The Company does not have any subsidiaries, associates and joint ventures and hence, reporting under this clause is not applicable.

Place:12/2 Old Post Office Street
KOLKATA - 700001
Date: 1st May, 2024
UDIN: 24065675BKABZM7416

For Choudhury Agrawal & Co.

Chartered Accountants

FRN: 310002E

(Rajat Agrawal)

Partner

Membership No. : 065675



ANNEXURE “B” TO THE INDEPENDENT AUDITORS REPORT

Directions under Section of 143(5) of the Companies Act, 2013 on the Accounts of Inland & Coastal Shipping Limited for the year ended March 31,2024.

Sl. No	Directions	Remarks
1.	Whether the company has system in place to process all the accounting transactions through IT System? If yes, the implication of processing of accounting transaction outside IT system on the integrity of accounts along with the financial implications, if any, may be stated.	The Company has only one accounting system i.e., SAP. There are no transactions which are accounted outside the IT systems.
2.	Whether there is any restructuring of an existing loan or cases of waive/write off of debts/loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	During the year under review the company did not have any existing loans or an cases of waive/ write off of debts/ loans / interest.
3.	Whether funds received/ receivable for specific schemes from Central/ State agencies were properly accounted for /utilized as per its terms and conditions? List the cases of deviation.	During the year under review the company has not received/ receivable for any specified schemes from Central/State Agencies.

For Choudhury Agrawal & Co.

Chartered Accountants

FRN: 310002E



(Rajat Agrawal)

Partner

Membership No. : 065675



Place:12/2 Old Post Office Street

KOLKATA - 700001

Date: 1st May,2024

UDIN: 24065675BKABZM7416

ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Inland & Coastal Shipping Limited of even date)

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

We have audited the internal financial controls over financial reporting of INLAND & COASTAL SHIPPING LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial



statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization 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.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For Choudhury Agrawal & Co..

Chartered Accountants

FRN: 310002E



(Rajat Agrawal)

Partner

Membership No. : 065675



Place: 12/2 Old Post Office Street

KOLKATA - 700001

Date: 1st May, 2024

UDIN: 24065675BKABZM7416



सत्यमेव जयते

भारतीय लेखा परीक्षा और लेखा विभाग
INDIAN AUDIT AND ACCOUNTS DEPARTMENT
महानिदेशक लेखा परीक्षा (खान) का कार्यालय
OFFICE OF THE DIRECTOR GENERAL OF AUDIT (MINES)
1, काउंसिल हाउस-स्ट्रीट, कोलकाता- 700 001
1, COUNCIL HOUSE STREET, KOLKATA-700 001

दिनांक / Dated, 12 JUL 2024

सेवा में
The Managing Director,
Inland & Coastal Shipping Limited,
Shipping House,
13, Strand Road,
Kolkata – 700001

विषय: कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अधीन Inland & Coastal Shipping Limited के वर्ष 2023-24 के लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणीयाँ।

महोदय,
कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत 31 मार्च को समाप्त वर्ष 2023-24 के लिए Inland & Coastal Shipping Limited के लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ प्रेषित की जा रही हैं।

कृपया इस पत्र की पावती भेजे।

अनु: यथोपरि।

भवदीय,
(बिभुदत्त बसंतिया)
महानिदेशक लेखापरीक्षा (खान)
कोलकाता

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INLAND & COASTAL SHIPPING LIMITED FOR THE YEAR ENDED 31 MARCH 2024

The preparation of financial statements of Inland & Coastal Shipping Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on these financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 01 May 2024.

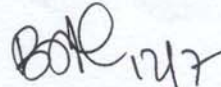
I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Inland & Coastal Shipping Limited for the year ended 31 March 2024 under section 143(6)(a) of the Act.

Place: Kolkata

Date:

12 JUL 2024

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



(Bibhudutta Basantia)

Director General of Audit (Mines)
Kolkata

Form No. AOC-2

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2024 which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

Below transactions occurred at arm's length price with holding company Shipping Corporation of India Ltd during the FY 2023-24.

- ICSL has paid Rs.37,36,990/- as reimbursement of expenses to SCI
- ICSL has received an interest free loan of Rs. 1,07,00,000/- during FY 2023-24 which is payable on demand from SCI. There has been no repayment of loan during FY 2023-24.
- ICSL has paid Rs. 7,69,383/- as container rental to SCI during FY 2023-24 towards usage of SCI containers.
- ICSL has paid Rs. 21,410/- as rent for the period April 01, 2023 till March 31, 2024 during FY 2023-24.
- ICSL has paid Rs. 7,41,132/- as management fee for the period March 01, 2023 till Jan 31, 2024 during FY 2023-24.

For and on behalf of the Board of Directors

Mumbai

Date : 26.07.2024

Capt. B.K.Tyagi
Chairman & Managing Director
DIN:08966904

Mehta & Mehta

COMPANY SECRETARIES

201-206, SHIV SMRITI, 2ND FLOOR, 49/A, DR. ANNIE BESANT ROAD, ABOVE CORPORATION BANK, WORLI, MUMBAI - 400 018
TEL : +91-22-6611 9696. • E-mail: dipti@mehta-mehta.com • Visit us : www.mehta-mehta.com

AUTHORISED AGENTS FOR TRADEMARK, COPYRIGHT AND PATENT

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
INLAND & COASTAL SHIPPING LIMITED
SHIPPING HOUSE 13,
STRAND ROAD, KOLKATA,
WEST BENGAL, INDIA - 700001

We have examined the compliance of conditions of Corporate Governance by **Inland & Coastal Shipping Limited** (hereinafter referred as "Company"), CIN: U61100WB2016GOI217822, for the Financial year ended March 31, 2024 as stipulated in the Guidelines of Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises (DPE), Government of India.

We state that compliance of conditions of Corporate Governance is the responsibility of the management and our examination was limited to procedures and implementation thereof, adopted by the company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to our examinations of the relevant records and the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned guidelines **subject to the following observations:**

- 1) **The Composition of Board of Directors viz. Functional Directors, Nominee Directors and Independent Directors is not duly constituted in terms of Clause 3.1 of Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSE) issued by the Department of Public Enterprises (DPE). Consequently, the Company has not constituted Audit Committee and Remuneration Committee as contemplated in the Clause 4.1 and 5.1 respectively of aforementioned DPE Guidelines on Corporate Governance for CPSE.**




The Competent Authority nominates directors on the Board of Directors of the Company as the Company is a Public Sector Undertaking. The Company is currently communicating with the Competent Authority for complying with the aforementioned provision under DPE Guidelines.

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

This certificate is issued solely for the purposes of complying with the Guidelines of Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises (DPE), Government of India and may not be suitable for any other purpose.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)


Dipti Mehta
Partner
FCS No: 3667
CP No : 23905
PR No.: 3686/2023



Place: Mumbai
Date: 16-07-2024

UDIN: F003667F000753856