

ANNUAL ACCOUNTS & AUDIT REPORT 2024-25



Paradip Port Authority



Paradip Port Authority

**ANNUAL ACCOUNTS &
AUDIT REPORT THEREON**

**WITH ACTION TAKEN
NOTES ON AUDIT OBJECTION/
OBSERVATIONS CONTAINED
IN THE REPORT**

FOR THE YEAR 2024-25



PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25





Paradip Port Authority

ANNUAL ACCOUNTS 2024-25

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Paradip Port Authority



**ANNUAL ACCOUNTS
2024-25**



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PARADIP PORT AUTHORITY

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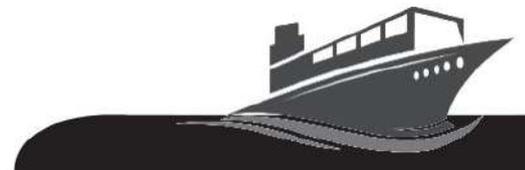
BALANCE SHEET AS AT 31ST MARCH 2025

				(Amount in ₹)		
		SCH	As at 31.03.2025	As at 31.03.2024		
I SOURCES OF FUNDS						
1	RESERVES & SURPLUS	1	1,14,21,68,10,597	98,77,70,86,188		
2	LOAN FUNDS	2	8,11,60,348	8,11,60,348		
TOTAL			<u>1,14,29,79,70,945</u>	<u>98,85,82,46,536</u>		
II APPLICATION OF FUNDS						
1	PROPERTY, PLANT & EQUIPMENTS	3				
	a) Gross Block		32,41,04,85,389	30,87,22,58,298		
	Less: Depreciation		<u>13,38,45,87,285</u>	<u>12,96,36,61,364</u>		
	Net Block		19,02,58,98,104	17,90,85,96,934		
	b) Capital Works-in Progress		<u>2,61,10,92,348</u>	<u>2,69,37,72,324</u>		
			21,63,69,90,452	20,60,23,69,258		
2	INVESTMENTS	4	58,60,80,12,025	50,22,12,02,241		
3	CURRENT ASSETS, LOANS & ADVANCES	5	77,06,61,77,411	63,39,34,49,450		
	Less: CURRENT LIABILITIES AND PROVISIONS	6	43,01,32,08,943	35,35,87,74,413		
	Net Current Assets		34,05,29,68,468	28,03,46,75,037		
TOTAL			<u>1,14,29,79,70,945</u>	<u>98,85,82,46,536</u>		
Significant Accounting policy and Notes on Accounts 18						

Schedules 1 to 18 annexed hereto form part of the Balance sheet and the Profit and Loss Account.

Sd/-
D.N.Sondhi
FA & CAO
Paradip Port Authority

Sd/-
P.L.Haranadh
Chairman
Paradip Port Authority





PARADIP PORT AUTHORITY

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2025

(Amount in ₹)

	SCH	2024-25	2023-24
INCOME			
Cargo handling & storage charges	07	12,49,16,13,653	12,69,77,18,346
Port & Dock Charges(Including pilotage Fees)	08	8,13,91,93,544	7,80,68,00,153
Railway Earnings	09	3,26,88,01,532	3,04,30,72,021
Estate Rentals	10	62,44,11,116	57,10,28,665
TOTAL		24,52,40,19,845	24,11,86,19,185
LESS EXPENDITURE			
Cargo handling & storage Charges	11	1,44,52,79,334	1,42,59,51,576
Port & Dock Facilities (including Pilotage)	12	2,68,90,75,990	2,94,03,69,686
Railway workings.	13	83,03,97,457	66,21,74,311
Rentable land & buildings.	14	74,37,29,447	83,77,11,761
Management & General Administration (not directly attributable to a Activity)	15	2,78,12,54,895	2,72,09,18,667
TOTAL		8,48,97,37,123	8,58,71,26,001
Operating Surplus/(Deficit)		16,03,42,82,722	15,53,14,93,184
Add: Finance & Misc. Income	16	3,04,46,88,474	2,46,33,09,682
Less: Finance & Misc Expenditure	17	47,89,59,504	1,13,96,67,314
Net Surplus/(Deficit) before Income Tax		18,60,00,11,692	16,85,51,35,552
Provision for Income Tax		6,26,57,35,268	5,87,02,65,798
Provision for Deferred Tax		23,48,88,909	14,36,24,179
Net Surplus after Income Tax	1	12,09,93,87,515	10,84,12,45,575
Less: Appropriations		-	-
Fund for Replacement, Rehabilitation and Modernisation of Capital Assets		2,50,00,00,000	1,80,00,00,000
Fund for Development, Repayment of Loan & Contingencies		2,50,00,00,000	1,80,00,00,000
Net Surplus after Appropriation		7,09,93,87,515	7,24,12,45,575
Significant Accounting policy and Notes on Accounts	18		

Schedules 1 to 18 annexed hereto form part of the Balance Sheet and the Profit and Loss Account.

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SCHEDULE TO BALANCE SHEET

(Amount in ₹)

SCHEDULE-1	RESERVES & SURPLUS	As at 31.03.2025	As at 31.03.2024
a. CAPITAL RESERVE		14,02,33,759	10,40,76,248
b. REVENUE RESERVE			
i. General Reserve			
Opening Balance		54,73,78,85,274	47,42,99,91,718
Less: Earlier years short provisions		-	
Add:			
- Other Adjustment			6,66,47,981
- Net Surplus		7,09,93,87,515	7,24,12,45,575
		61,83,72,72,789	54,73,78,85,274
ii Reserve for repayment of initial investment		8,11,60,348	8,11,60,348
		8,11,60,348	8,11,60,348
iii Employees Welfare Fund			
Opening Balance		15,00,000	15,00,000
Additions		15,00,000	15,00,000
Less: Expenditure		(15,00,000)	(15,00,000)
		15,00,000	15,00,000
iv E.L. Encashment Fund		56,89,71,778	52,71,85,862
		56,89,71,778	52,71,85,862



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c. STATUTORY RESERVE

i. Replacement, Rehabilitation, Modernisation of Capital Assets Fund

Opening Balance	24,96,20,67,204	21,70,35,92,952
Add: Appropriation from Profit & Loss Account	2,50,00,00,000	1,80,00,00,000
Add: Interest from investment of Fund	1,87,96,43,660	1,45,84,74,252
	29,34,17,10,864	24,96,20,67,204

ii. Development, Repayment of Loans & Contingencies Fund.

Opening Balance	18,36,32,11,252	15,45,56,90,755
Add: Appropriation from Profit & Loss Account	2,50,00,00,000	1,80,00,00,000
Less: Repayment of Govt Loan	-	-
Add: Interest from investment of Fund	1,38,27,49,807	1,10,75,20,497
	22,24,59,61,059	18,36,32,11,252

TOTAL

	1,14,21,68,10,597	98,77,70,86,188
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<u>SCHEDULE-2</u>	<u>LOAN FUNDS</u>	<u>As at 31.03.2025</u>	<u>As at 31.03.2024</u>
a. SECURED LOANS		-	-
b. <u>GOVT. LOANS</u>			
i. Initial Investment by G.O.I.		8,11,60,348	8,11,60,348
c. UNSECURED LOANS		-	-
	TOTAL	8,11,60,348	8,11,60,348





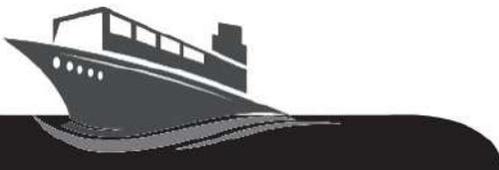
PARADIP PORT AUTHORITY

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SCHEDULE - 3 FIXED ASSETS

SCHEDULE TO BALANCE SHEET

Description of Asset	GROSS BLOCK			
	As at 01.04.2024	Additions during the year	Del/Adj during the year	As at 31.03.2025
1	2	3	4	5
Land	20,59,21,286	-	-	20,59,21,286
Lease land	71,10,000	-	-	71,10,000
Stacking Yard	1,12,22,92,637	15,73,66,435	1	1,27,96,59,073
Capital Dredging	5,57,49,41,379	-	-	5,57,49,41,379
Building Sheds and Other Structures	1,98,62,56,982	7,17,39,404	-	2,05,79,96,386
Wharves, Roads, Boundaries	7,09,47,19,694	56,35,44,702	-	7,65,82,64,396
Floating Craft	70,87,79,618	-	19,32,66,610	51,55,13,008
Railway and Rolling Stock	4,71,06,16,034	24,88,26,672	-	4,95,94,42,706
Docks, Sea-Walls, Breakwaters, Piers & Navigational Aids	78,34,22,675	-	-	78,34,22,675
Cranes and Vehicles	6,47,27,345	-	-	6,47,27,345
Plant & Machinery	5,84,83,90,389	35,63,95,901	-	6,20,47,86,290
Installation and Equipments	2,01,92,40,785	2,11,39,870	-	2,04,03,80,655
Furniture & Equipment	-	-	-	-
General Cargo Handling Equipments	72,72,69,480	31,24,80,716	-	1,03,97,50,196
Flotila & Marine Crafts	1,85,69,994	-	-	1,85,69,994
Total	30,87,22,58,298	1,73,14,93,700	19,32,66,611	32,41,04,85,389
Works in Progress	2,69,37,72,324	1,64,41,92,929	(1,72,68,72,905)	2,61,10,92,348
Grand Total	33,56,60,30,622	3,37,56,86,629	(1,53,36,06,294)	35,02,15,77,737
<i>Previous Year</i>	31,49,20,35,799	6,92,46,25,430	(4,85,06,30,607)	33,56,60,30,622



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AS AT 31.03.2025

(Amount in Rupees)

DEPRECIATION				NET BLOCK	
As at 01.04.2024	Provisions for the year	Del/Adj during the year	Total as on 31.03.2025	As at 31.03.2025	As at 31.03.2024
6	7	8	9	10	11
-	-	-	-	20,59,21,286	20,59,21,286
46,61,000	79,000	-	47,40,000	23,70,000	24,49,000
27,96,28,641	3,19,91,477	9,66,732	31,25,86,850	96,70,72,218	84,26,63,991
60,15,19,746	5,57,49,414	65,70,528	66,38,39,688	4,91,11,01,691	4,97,34,21,633
87,82,11,560	4,09,96,726	67,489	91,92,75,775	1,13,87,20,611	1,10,80,45,422
2,01,25,50,954	14,44,84,214	43,29,389	2,16,13,64,557	5,49,68,99,839	5,08,21,68,740
58,23,53,350	2,00,54,259	(19,32,66,610)	40,91,40,999	10,63,72,009	12,64,26,268
1,15,31,76,948	9,47,27,946	84,85,586	1,25,63,90,480	3,70,30,52,226	3,55,74,39,086
38,69,45,926	1,17,13,808	-	39,86,59,734	38,47,62,941	39,64,76,749
6,11,92,865	14,04,480	-	6,25,97,345	21,30,000	35,34,480
5,76,38,88,591	2,41,27,747	6,95,82,628	5,85,75,98,966	34,71,87,324	8,45,01,798
74,19,57,049	5,07,25,219	18,30,727	79,45,12,995	1,24,58,67,660	1,27,72,83,736
-	-	-	(1)	1	1
47,90,04,741	4,63,05,162	-	52,53,09,903	51,44,40,293	24,82,64,739
1,85,69,993	-	-	1,85,69,992	2	2
12,96,36,61,364	52,23,59,452	(10,14,33,531)	13,38,45,87,285	19,02,58,98,104	17,90,85,96,934
-	-	-	-	2,61,10,92,348	2,69,37,72,324
12,96,36,61,364	52,23,59,452	(10,14,33,531)	13,38,45,87,285	21,63,69,90,452	20,60,23,69,258
12,45,22,50,842	46,66,69,149	4,47,41,373	12,96,36,61,364	20,60,23,69,258	19,03,97,84,956



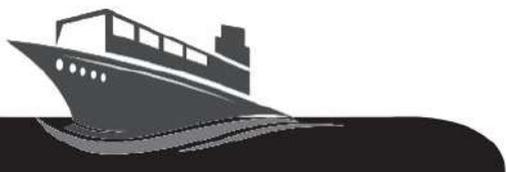


PARADIP PORT AUTHORITY

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SCHEDULE TO BALANCE SHEET

		(Amount in ₹)	
SCHEDULE-4	INVESTMENTS	As at 31.03.2025	As at 31.03.2024
A.	<u>INVESTMENT WITH GOVT. OR TRUST SECURITIES</u>	-	-
	Total	-	-
B.	<u>SHARES, DEBENTURES OR BONDS</u>		
	Setu Samudram Corporation Ltd. (3,00,00,000 shares @ ₹10/- each)	30,00,00,000	30,00,00,000
	Haridaspur Paradip Railway Co. Ltd. (13,85,21,106 shares @ ₹10/- each)	1,38,52,11,060	1,38,52,11,060
	Paradip Port Road Co Ltd. (4,00,00,000 shares @ ₹10/- each)	40,00,00,000	40,00,00,000
	Inland water Ways Consotium (3,30,000 shares @ ₹10/- each)	33,00,000	-
	Dredging Corporation of India Ltd. (50,40,101 shares @ ₹510/- each)	2,57,04,51,510	2,57,04,51,510
	Indian Port Rail & Rope way Corporation Ltd. (1,08,00,000 shares @ ₹10/- each)	10,80,00,000	10,80,00,000
	Total	4,76,69,62,570	4,76,36,62,570
C.	<u>INVESTMENT PROPERTIES</u>	-	-
	Total	-	-
D.	<u>OTHERS</u>		
	Deferred tax fund	1,60,32,45,406	1,36,24,00,234
	Replacement, Rehabilitation and Modernisation of Capital	29,34,17,10,864	24,99,48,74,970
	Development, Repayment of Loan & Contingencies	22,24,59,61,059	18,46,30,79,605
	Repayment of Initial Investment of GOI Fund	8,11,60,348	10,99,99,000
	E.L Encashment Fund	56,89,71,778	52,71,85,862
	Total	53,84,10,49,455	45,45,75,39,671
	G.TOTAL	58,60,80,12,025	50,22,12,02,241



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SCHEDULE TO BALANCE SHEET

(Amount in ₹)

SCHEDULE-5		As at 31.03.2025	As at 31.03.2024
CURRENT ASSETS, LOANS & ADVANCES			
A. CURRENT ASSETS			
i.	Accrued Interest on Investment	3,39,94,61,643	5,45,36,33,365
ii.	Inventories	72,49,273	37,75,012
iii.	Sundry Debtors		
a.	Govt. Dues	16,67,80,867	
b.	Non-Govt. Dues	2,16,60,98,799	1,92,24,24,989
iv.	Cash & Bank Balance		
a.	Cash in Hand	-	-
b.	Bank Balance		
i.	Fixed Deposit	25,67,83,20,070	20,96,82,09,398
ii.	Savings Bank A/c.		
-	Indian Bank	6,53,81,109	10,71,34,009
-	I.D.B.I Bank (Inv)	2,35,25,350	2
-	PNB (United Bank of India)	8,55,169	95,88,944
-	Indian Bank (Ext)	3,94,866	3,84,192
-	Uco Bank	1,50,81,454	57,99,254
-	PNB (Oriental Bank of Commerce)	9,51,707	9,26,441
-	Union Bank	25,30,089	3,96,26,706
-	I.D.B.I Bank	4,07,06,928	1,03,28,40,222
-	I.D.B.I Bank (Estate)	27,02,436	12,860
-	Axis Bank	30,48,30,677	10,94,85,631
-	State Bank of India (Main)	2	22,00,49,591
-	State Bank of India (Suravi)	20,91,72,290	7,62,10,787
-	ICICI Bank	39,86,69,790	59,70,41,350
-	Indian Overseas Bank	1,00,50,357	2,47,83,721
-	PN Bank	1,11,65,714	16,19,96,524
-	Bank of India	45,70,358	2,41,91,420
-	State Bank of India (POS)		
-	State Bank of India (PCS)	1,27,667	
-	Kotak Mahindra Bank	4,92,963	1,07,15,858
-	HDFC Bank	30,83,10,348	30,14,34,664
-	Bank of Baroda	15,04,58,498	24,03,62,753
-	Bank of Maharashtra	10,01,08,939	4,00,07,535
-	State Bank of India (EMD)	-	26,53,04,250
-	I.D.B.I (EMD)	-	1,32,705
-	State Bank of India (RFID)	-	5,600
-	Indusind Bank	3,02,10,49,387	30,34,94,56,168





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SCHEDULE TO BALANCE SHEET

(Amount in ₹)

SCHEDULE-5 (Contd..)	As at 31.03.2025	As at 31.03.2024
B. LOANS AND ADVANCES		
I. Deposits	75,09,27,370	69,72,56,038
ii. T.D.S	7,15,73,04,199	5,86,85,78,432
iii. Payments in Advance		
- Advance for Purchases	32,650	-
- Advance for Motor Cycle/ Scooters/Computer etc.	6,08,059	6,26,771
- Advance for Festival/Medical	79,80,000	20,10,000
- Advance to Staff		
- Advance against T.A		
- Natural Calamities Adv.		
- Advance to Contractors	23,10,98,383	34,06,18,122
CURRENT ASSETS, LOANS & ADVANCES		
- House Building Advance	4,64,38,672	1,39,97,863
- Temporary Advance to departments	26,84,903	6,38,678
- Permanent Imprest to departments	5,60,000	5,17,000
- Income Tax	31,74,75,19,410	24,12,94,79,716
- GST	37,90,50,767	8,02,12,984
- Loan to DCI	55,85,26,248	55,87,96,248
- Loan PPT ECCS	1,25,00,000	
- Prepaid Expenses (Insurance)	8,19,00,000	8,46,39,815
TOTAL	77,06,61,77,411	63,39,34,49,450



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SCHEDULE TO BALANCE SHEET

(Amount in ₹)

SCHEDULE-6	As at 31.03.2025	As at 31.03.2024
<u>CURRENT LIABILITIES & PROVISIONS</u>		
A <u>CURRENT LIABILITIES</u>		
i. Creditors for Stores	92,767	66,42,755
ii. Miscellaneous Creditors & Balance	5,77,83,126	4,82,18,648
iii. Deposits from Merchants, Contractors & Others	6,03,90,22,750	5,02,13,64,903
iv. GST	74,22,88,755	68,11,99,275
	6,83,91,87,398	5,75,74,25,581
B <u>PROVISIONS</u>		
i. <u>Contingencies</u>	-	-
ii. <u>Taxation</u>		
Income Tax	32,69,59,39,252	26,43,02,03,984
Deferred Tax liability	1,60,32,45,406	1,36,83,56,497
iii. <u>Employee Related Benefits</u>		
Provident Fund	81,15,396	97,80,714
Salaries & Wages	1,75,25,607	1,83,99,281
Payable to Pension Fund	1,88,81,470	-
iv. <u>Other Liabilities</u>		
Capital Grant-in Aid GOI	12,63,04,362	53,07,50,712
Capital Grant-in Aid GOO	5,00,00,000	5,00,00,000
v. <u>Other Provisions</u>		
CSR Liability	11,06,03,118	6,85,67,292
Accrued Expenses	1,54,34,06,934	1,12,52,90,352
	36,17,40,21,545	29,60,13,48,832
TOTAL	43,01,32,08,943	35,35,87,74,413





PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25

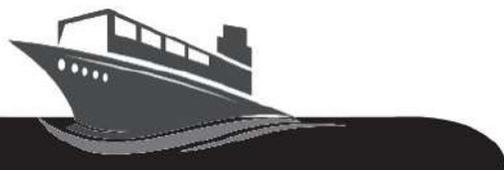
SCHEDULE TO PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2025

(Amount in ₹)

SCHEDULE-7	2024-25	2023-24
CARGO HANDLING & STORAGE		
Handling of General Cargo	1,74,41,25,853	1,60,84,76,136
Handling of Iron Ore & Other Ore	6,78,19,734	5,98,57,022
Licence Fee on BOT	8,35,55,881	11,46,84,593
Storage of goods	81,79,91,563	92,27,78,507
SPM Warfage	23,84,13,483	24,42,38,655
Revenue Share on BOT	3,69,78,44,014	3,27,65,49,529
HMC Royalty	70,02,73,988	66,84,10,850
Ore Mechanical Handling Plant Charges	20,18,34,737	23,42,42,013
MCHP Shipping Charges	2,75,15,44,540	2,80,45,00,249
MCHP Unloading Charges	1,77,80,63,321	1,80,89,15,630
POL Handling Charges	33,23,91,901	82,43,26,424
Demurrage fees on General Cargo	7,25,34,256	12,46,28,579
Miscellaneous	52,20,382	61,10,159
TOTAL	12,49,16,13,653	12,69,77,18,346

SCHEDULE-8		
PORT & DOCK CHARGES		
(Including Pilotage)		
Towage and Mooring Fees	1,25,33,65,550	1,27,52,11,045
Dock Dues (Berth Hire)	67,88,61,696	58,07,98,446
Port Dues	1,99,41,62,958	1,87,74,43,829
Pilotage Fees	4,15,71,18,825	4,02,12,27,578
Water & Oil supply to Shipping	1,87,15,935	1,45,22,231
Dry Dock	2,66,43,423	2,63,12,485
Miscellaneous Charges	35,47,630	45,84,267
Slipway Charges	67,77,527	67,00,272
TOTAL	8,13,91,93,544	7,80,68,00,153

SCHEDULE-9		
RAILWAY EARNING:		
Freight and Haullage Charges	67,41,93,927	60,31,95,675
Siding Charges	9,02,19,792	8,18,78,918
Terminal Charges	2,50,43,87,813	2,35,79,97,428
TOTAL	3,26,88,01,532	3,04,30,72,021



**SCHEDULE TO PROFIT AND LOSS ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2025**

(Amount in ₹)

SCHEDULE-10	2024-25	2023-24
ESTATE RENTALS:		
Rent from Land	27,87,65,670	27,71,72,639
Rent from Buildings, Sheds & Godowns	8,43,59,805	7,47,17,810
Recoverable Service Charges	25,12,88,345	20,96,04,845
Miscellaneous Income	99,97,296	95,33,371
TOTAL	62,44,11,116	57,10,28,665

SCHEDULE-11

CARGO HANDLING & STORAGE

Handling & Storage of General Cargo at Sheds & Wharfages	2,70,39,268	7,35,65,796
Handling & Storage of Iron Ore & Other Ore	3,43,07,610	3,10,42,573
Operation & Maintenance of Ore Handling Plant	19,56,24,011	19,61,02,242
Operation & Maintenance of MCHP	89,28,21,361	84,42,60,822
Administration & General Expenses	14,24,79,273	16,48,44,213
Depreciation	15,30,07,811	11,61,35,930
TOTAL	1,44,52,79,334	1,42,59,51,576





PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25

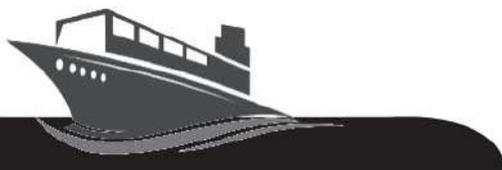
SCHEDULE TO PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2025

(Amount in ₹)

SCHEDULE-12	2024-25	2023-24
PORT & DOCK FACILITIES FOR SHIPPING (INCLUDING PILOTAGE)		
Towing, Berthing & Mooring	92,28,52,972	73,65,24,934
Pilotage	10,16,16,690	10,27,50,645
Dredging & Marine Survey	1,36,83,40,964	1,78,67,67,874
Operation & Maintenance of Navigation Aids	2,02,17,661	49,76,628
Maintenance of Marine Structural, Sea Shore etc.	85,73,364	63,54,993
Administration & General Expenses	17,99,56,858	21,38,32,889
Depreciation	8,75,17,481	8,91,61,723
TOTAL	2,68,90,75,990	2,94,03,69,686

SCHEDULE-13		
RAILWAY WORKINGS		
Operation & Maintenance of Locomotive, Wagons etc.	49,54,80,813	37,80,24,161
Maintenance of Permanent way, Signals and Inter Locking	21,54,89,286	16,61,20,636
Administration and General Expenses	2,46,99,412	2,75,75,858
Depreciation	9,47,27,946	9,04,53,656
TOTAL	83,03,97,457	66,21,74,311

SCHEDULE-14		
RENTABLE LANDS & BUILDINGS		
Estate Maintenance	55,64,02,514	65,81,64,560
Administration & General Expenses	3,97,72,351	4,60,06,178
Depreciation	14,75,54,582	13,35,41,023
TOTAL	74,37,29,447	83,77,11,761



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SCHEDULE TO PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2025

(Amount in ₹)

SCHEDULE-15	2024-25	2023-24
MANAGEMENT & GENERAL ADMINISTRATION		
Management & Secretarial Expenses	75,07,40,090	79,32,28,361
Labour & Welfare Expenses etc.	9,79,72,576	15,52,96,764
Medical Expenses	45,92,92,000	44,50,05,440
Store Keeping	4,13,60,269	2,75,56,940
Insurance on Port Properties	17,32,68,270	18,39,47,745
Accounting, Auditing & Others	12,19,88,205	17,07,79,300
Telephone Expenses	54,15,132	81,46,485
Engineering & Workshop Administration & Overhead	1,03,64,03,105	84,66,37,445
Sundry Expenses	5,52,63,616	5,29,43,369
Depreciation	3,95,51,632	3,73,76,818
TOTAL	2,78,12,54,895	2,72,09,18,667
SCHEDULE-16		
FINANCE & MISCELLANEOUS INCOME		
Interest on deposit	2,26,38,42,354	1,71,86,36,113
Interest on Advances to DCI	17,27,667	1,51,83,768
Interest on Loan to DCI	4,80,60,000	1,87,96,248
Interest on loans & advances	27,97,765	27,56,801
Sale of unservicable materials	2,52,47,865	62,67,774
Miscellaneous Income	60,69,89,182	60,02,61,448
Items Relating to Previous Years	9,60,23,641	10,14,07,530
TOTAL	3,04,46,88,474	2,46,33,09,682
SCHEDULE-17		
FINANCE & MISCELLANEOUS EXPENSES		
Bank Charges	2,08,915	9,08,496
Interest Payable on:-		
- Initial Investment of Govt. of India	21,30,459	21,30,459
- Interest on GPF	-	-
Pension payments including contribution		
- Contribution to Pension Fund	20,00,00,000	61,85,95,981
- Contribution to Other Ports	1,76,17,046	-
Employer's Contribution CPF & Tire-IA/c	2,38,07,622	2,24,66,652
TA to Retired employees	27,67,148	36,06,045
C.S.R	10,00,00,000	10,00,00,000
Service Charges for NPS	24,377	24,399
Employees Welfare Fund	15,00,000	15,00,000
Items relating to Previous years	13,09,03,937	39,04,35,282
TOTAL	47,89,59,504	1,13,96,67,314



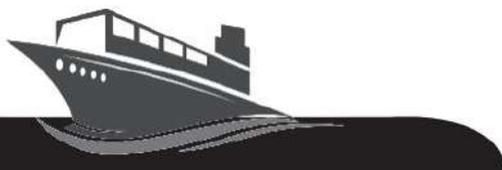


ANNUAL ACCOUNTS 2024-25
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. ACCOUNTING POLICIES

1. The financial statement of PPA have been prepared based on the revised accounting policy as set up in the recommendation of the Billimoria Committee Report and approved by the Ministry of Shipping vide its communication bearing reference No. PR-20021/2/98-PG dated 06.11.2002.
2. The Books are maintained under Mercantile System of accounting except interest due on advances to employees, amount withheld from the bills but not released during the year, which are being accounted for on actual basis.
3. Operating Income is recognized as and when services are rendered except the income from the vessels arrived during the year but the service completed in subsequent year. Income from defaulted /disputed parties are not considered as income as suggested by Audit.
4. Fixed Assets are exhibited at historical cost.
5. Fixed Assets that have outlived their useful life/surveyed off earlier are removed from the financial statements upon their disposal and not found during physical verification.
6. Fixed Assets under Construction are categorized as Capital Works in Progress.
7. Govt. Grants are recognized by reducing the value of Assets to the extent of grants and only on receipt basis.
8. One time non-refundable up front fee received from parties are apportioned over the period of lease.
9. Inventories are valued at weighted average cost.
10. Long term Investments are stated at Fair Value and Face value.
11. Investments are classified as below:-
 - a) Government or Trust Securities
 - b) Shares , Debentures or Bonds
 - c) Investment Properties
 - d) Others

Considering the nature of investment, all the investments as stated above are long term in nature. The short term investments have been shown under "Current Assets" as fixed deposits.



12. Prior period income or expenses which arise in the current period as a result of errors or omission in the preparation of Financial Statements of one or more prior periods are included under Finance and Miscellaneous Income or Expenditure.
13. The stores received during the financial year but not check measured are not accounted for.
14. Foreign Currency denominated transactions: Foreign exchange denominated transactions are evaluated at the rate of exchange prevailing on the date of service, unless a specific date is prescribed in a particular contract.
15. Figures of the previous year are being regrouped/ rearranged where ever necessary to confirm to the current year classification.

16. Depreciation (AS 10)

As per the standard, depreciation is charged for every accounting period is recognized in the Profit and Loss statement, unless it is included in carrying the amount of any other Asset. Depreciable amount of any Asset is allocated on methodical basis over the useful life of the Asset.

The depreciation on fixed assets has been calculated on the basis of straight-line method which is being followed consistently. The depreciation is provided for the full year irrespective of the date of capitalization of the asset. As per the Govt. of India guidelines full depreciation is being charged in respect of assets costing less than ₹1 lakh and having life not more than 5 years unless it is a part of any project.

17. Profit or loss on sale of Property, Plant & Equipments

We are following the consistent practice of taking profit or loss on sale of Property, Plant and Equipments directly into the Capital Reserve.

18. Statutory Reserve:

Statutory Reserve has been created for the specific purposes and it's fund is being restricted to use for the purposes mentioned therein.

19. Capital Work In Progress capitalization:

We are capitalizing all the cost directly incurred on separately identifiable asset code-wise. In case of Govt. Grants, we are showing as Net Value method. Further, the borrowing cost directly linked to the particular asset is capitalized to that asset. Capitalisation is being done based on the confirmation on "put to use" by the concerned department or user of the asset.

20. Investment and Interest:

The interest income from the investment of statutory funds are being credited to respective funds.





PARADIP PORT AUTHORITY

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21. **Provisions, Contingent Liabilities & Contingent Assets:**

A provision is made when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical valuation and past experience.

No provision is made or the liabilities arising from transactions and events whose future outcome can't be ascertained with reasonable certainties. Such contingent liabilities are not recognized but are disclosed in the notes of contingent liabilities.

22. **Dredging Expenditure:**

Dredging for maintaining the existing depth and width are charged to revenue. However, Dredging Expenditure for achieving the additional depth and width is treated as capital in nature which is amortised over a period of 100 years as per the Government guidelines.

23. **Retirement benefits (Accounting Standard -15)**

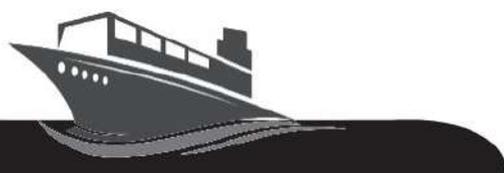
Actuarial valuation is carried out by Life Insurance Corporation of India towards pension and gratuity liability in respect of employees. As per availability of funds as required contributions are made to Pension Fund and Gratuity Fund created for the purpose by charging to revenue account.

Port's contribution to new Pension Scheme is also charged to Profit & Loss Account. Employees who have joined services in the Port after 01.01.2004 are covered under New Contributory Pension Scheme. The said Employees and Employer's contribution is being remitted to NPS Trust through NSDL under the registration Code of the Port on monthly basis.

B. **NOTES ON ACCOUNTS**

1. YEAR IN BRIEF

RESULTS FOR THE YEAR	2024-25	2023-24
Traffic (in Million MT)	150.41	145.38
Operating Income (₹ In Cr.)	2452.40	2411.86
Operating Expenditure (₹ In Cr.)	848.97	858.71
Operating Surplus (₹ In Cr.)	1603.43	1553.15
Total Income (₹ In Cr.)	2756.87	2658.19
Total Expenditure (₹ In Cr.)	896.87	972.68
Net Surplus (₹ In Cr.)	1860.00	1685.51
Operating Ratio	01:0.35	01:0.36
Unit Operating Cost per Ton of Cargo Handled (₹)	56.44	59.07
Salary & Wages as percentage of total expenditure (%)	10.20	8.19
Provision of Income Tax (₹ In Cr.)	626.57	587.03



PARADIP PORT AUTHORITY

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2. PROFIT AND LOSS ACCOUNT

The Profit and Loss Accounts shows an operating surplus of ₹1603.43 crores and a Net Surplus of ₹1860.00 crores. ₹500 crores has been transferred to two reserve funds.

3. PROVISION TOWARDS PRODUCTIVITY LINKED REWARD

₹Rs. 1.60 crores has been provided against the anticipated payment towards Productivity Linked Reward to the employees.

4. PROVISION TOWARDS VARIOUS RESERVE FUNDS

₹500crores has been appropriated to the following Reserves out of the Net Surplus after Income Tax of ₹626.57 crores as per the guidelines of Ministry.

a) Replacement, Rehabilitation and Modernization of Capital Assets Reserve	₹250.00 crore
b) Development, Repayment of Loan and Contingencies Reserve	₹250.00 crore

As per the Ministry of Surface Transport Port Wing Letter No. PR-15024/7/93-PG dated 16.06.1994, a minimum 3% of the Capital employed should be appropriated and transferred to the statutory reserves. During the year, 8.98% of the Capital employed has been transferred to the Statutory reserves.

5 TITLE DEEDS OF THE LAND

1. A meeting of High Power Committee was held on 31.03.2016, where in, Government of Odisha had agreed to handover the land under the possession of Paradip Port Authority on transfer basis instead of lease. In accordance to the outcome of the meeting, a joint petition was filed in the Hon'ble High Court of Odisha. The order of Hon'ble High Court of Odisha has already been passed with a direction to adhere to the decision arrived at the meeting held on 31.03.2016. The port has already filed mutation cases before District Administration for transfer of 6285.54 Acres of land

in favour of Paradip Port Authority. However, the land utilization letter for the vacant areas was submitted vide letter No.AD/EST-LAND-35/2016 (Pt.V)/2802 dated 07.11.2017 to the Joint Secretary, R&D, Govt. of Odisha. Again the report relating to optimization study of land Assets of Paradip Port was submitted on 20.02.2018 vide Letter No. AD/EST/LAND-35/2016 (Pt.V)/655 dated 20.02.2018. The proposal has already been cleared by Revenue and Disaster Management Department, Government of Odisha which is pending with the Office of Chief Minister, Odisha for order.

Again Principal Secretary, R&DM Department, Govt. of Odisha had undertaken meetings on 21.02.2018 and 27.10.2018. In the said meetings, it was decided that Revenue Department will take further course of action for transfer of land to PPA with Govt. approval. A review meeting on different issues with PPA & Govt of Odisha including mutation of land was conducted during visit of Chief Secretary, Govt. of Odisha to Paradip on 04.01.2020.





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In compliance to review meeting dated.04.01.2020 another meeting was conducted in Bhubaneswar under the Chairmanship of Chief Secretary, Govt. of Odisha where land mutation issue was discussed along with other issues pertaining to Govt. of Odisha.

- I. An area measuring 26.68 acres was in possession of East Coast railway since 1970 without payment of License fees.
- ii. An area measuring 73.50 acres of port land was under encroachment.
- iii. Settlement of State land records in respect of 187.82 Acres of land at Haridaspur - Case has been filed in the Court of the Director Consolidation, Odisha Cuttack vide RS No.157/2019.
- iv. Further, a letter has been communicated addressing to Principal Secretary to the Government, Revenue & Disaster Management Department, Govt. of Odisha on dated 17.02.2021 requesting for issue suitable instruction to the Collector, Jagatsinghpur and Tahasildar, Kujang to complete the mutation process of 6,285.54 acres of land as per the settlement arrived between Paradip Port Authority and Government of Odisha in the meeting dated 30.01.2015 and in compliance of the order of the Hon'ble High Court of Odisha.

Subsequently, reminders have been issued to State Government and multiple meetings were held in presence of the Chief Secretary, Govt. of Odisha and State Government is in process to do the necessary mutation of Ac.685.54 in favour of PPA now.

6 PLAN AND NON-PLAN EXPENDITURE

The total capital expenditure during the year 2024-25 was ₹251.05 crore. An amount of ₹.777.00 crore is the commitment as on 31.03.2025 towards ongoing plan projects.

7 FUNDING STATUS OF SUPERANNUATION, GRATUITY & LEAVE ENCASHMENT FUNDS

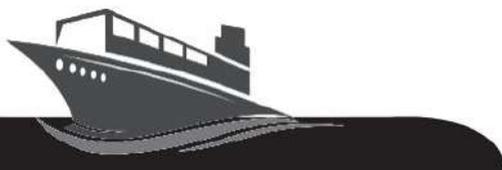
The position of corpus available with Superannuation Fund, Gratuity Fund and Leave encashment considering the provisions made to meet the liability and the actuarial valuation done by LIC of India as on 31st March 2025 is as under considering the provision to meet the liability:

(Rs. in Crore)

FUND	Actuarial Valuation as on 31.03.2025	Corpus Fund as on 31.03.2025
Superannuation Fund	3186.09	3183.46
Gratuity Fund	120.96	120.29
Leave Encashment Fund	57.11	56.88

8 INCOME TAX

For the Financial Year 2002-03 to 2011-12, the assessment has been completed. The Principal CIT revised the order of the Assessing Officer for the Assessment Years 2003-04, 2004-05 and 2005-06



PARADIP PORT AUTHORITY

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under section 263 and stated that the order is prejudice to the interest of the revenue. PPA filed appeal before the Income Tax Appellate Tribunal, Cuttack against the order of the Principal CIT, Bhubaneswar-1. The ITAT, Cuttack bench squashed the order of the Pr.CIT and passed the order in favour of PPA.

For the Financial Year 2012-13 to 2016-17 and 2019-20, 2020-21, 2021-22 and 2022-23 appeal has been filed before the Hon'ble CIT (Appeal) against the assessment order passed by the Assessing Officer.

For the financial year 2017-18, the scrutiny assessment completed, but the order is yet to be received. For the Financial year 2018-19, the assessment is completed U/s 143(1) of the Income Tax Act, 1961. There is no scrutiny assessment for that year. For the financial year 2024-25 the Scrutiny Assessment is in Progress.

9 **CONTRIBUTION FOR TIER - I EMPLOYEES**

In line with Govt. of India Order, NPS-TIER - IA/c is in operation for employees who have joined on or after 01.01.2004. The contribution of these employees along with contribution of Port has been transferred to CRA system under NSDL.

10 **CONTINGENT LIABILITY**

There are 312 nos. of cases filed against PPA by different parties as on 31.03.2025. The Financial implication is around ₹352.82 Cr.

The major claimed by following entities mentioned as below from PPA being subject matter of Pending litigation is contingent.

Name of the party	₹ in Cr.
PPL	80.00
SURANA SOLAR	8.69
BAM DEV NAYAK	9.92
TRIVENI EARTH MOVERS	10.00
MODI PROJECTS LTD	13.66
M/S SEATRANS MARINE PVT. LTD	30.00
REACH DREDGING LTD.	2.54
K.V.R RAIL INFRA PROJECT	30.00
MANOJ KUMAR ACHAYATH	50.00
GOPINATH PARIDA	10.00
LAXMIDHAR MOHANTY	8.24
PICTPL	7.25
PEQCTPL	36.38
OTHERS	56.14
TOTAL	352.82





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11. CORPORATE SOCIAL RESPONSIBILITY (C.S.R)

The details of the CSR expenditure and provision for last 5 years is as below which has been charged to Finance and Misc. Expenditure:

F.Y	₹ In Crore	
	CSR Provision	CSR Expenditure
2020-21	8.88	8.88
2021-22	10.00	10.00
2022-23	10.00	10.00
2023-24	10.00	10.00
2024-25	10.00	10.00

CSR liability is being shown separately under the major head "Current Liabilities and Provision". The liability as on 31.03.2025 comes to ₹11.06 crore.

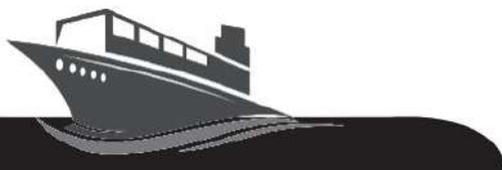
12. The accounts of PPA have been prepared as per the uniform accounting practices followed by all Major Port Trusts since 1972. The accrual system of Accounting has been followed in recognition of Revenue and booking of expenditure except

- I. The with-held amounts from different bills have not been taken into account. This is being followed consistently.
- II. The store issued to site stores for consumption but lying in the site stores as on 31st March 2025 are treated as consumed as its impact in the account is not significant and is being followed consistently.
Similarly, medicines purchased during the year are considered to be consumed and charged to Profit and Loss account and is being followed consistently.
- III. Nothing is outstanding as per Micro Small and Medium Enterprise Development Act,2006.

13. After winding up of Paradip Port Road Company Limited and SPV of NHAI all the equity shares held by NHAI has been transferred to National Highway Logistic Management Limited and as per the above absorption investment of Paradip Port Authority is safe.

14. PHYSICAL VERIFICATION OF FIXED ASSETS:

The physical verification of fixed assets has been completed by M/s DM Associates, Chartered Accountants in Financial year 2022-23. PPA had duly accounted for the observations made in the physical verification report. Considering the complexity of the work, Physical verification of Fixed Assets is done in every five years interval.



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15. PPA has invested ₹33 lacs towards equity participation in the SPV viz Inland Waterways Consotium of Odisha Ltd during the year.
16. Capital grant in aid has been received up to 2023-24 towards fishery harbor amounting to ₹53.08 crore including interest under Pradhan Mantri Maschya Sampad Yojana and an amount of ₹5.00 crore has been received from Govt. of Odisha during 2023-24. Fisheries Department. Further, ₹5.49 crore has been received from Central Govt under Pradhan Mantri Maschya Sampad Yojana during the year. Out of the total grant of ₹58.57 crore under Pradhan Mantri Maschya Sampad Yojana, ₹23.58 crore has been exclusively utilized for the localization of fisheries harbours and ₹22.35 crore was refunded to Central Govt during year 2024-25.
17. Paradip Port Authority made an investment of Rs.30 Crores in the Equity Shares of M/s. Sethusamudram Corporation Limited (M/s. SCL) and the same has been disclosed under investment at cost. As per Ministry of Shipping and Road Transport & Highways Letter No. PD-26014/3/2004-Setu dated 1st June 2005 along with other major Ports, PSUs and Government of India. Accordingly, the investment is made by the Port with M/s. SCL under investment at cost. Since SCL is not a listed company and own by major Ports, PSUs and Government of India, it is not ascertainable for declining of investment. Long Term Investments are usually carried at cost and when there is decline in the value of long term investment, carrying amount is reduced to recognize the decline. Indicators of value of an investment are obtained on it's market value. As pointed out above, SCL shares are not listed in the Stock Exchange. Hence, the value has not been disclosed. Further, it is informed that SCL has moved a proposal for liquidation to the Ministry against which no direction has been received till date. Even M/s. SCL has also not indicated any such impact in writing to recognize such decline/diminution. Since it is a long term investment and necessary action, if any on the carrying cost will be taken on receipt of information on winding up of M/s. SCL from Govt. of India.
18. **RESERVE FOR REPAYMENT OF INITIAL INVESTMENT**
₹8.11 Crore is being received on 01.11.1967 from Government of India as initial investment in the form of 50% as Debenture Capital carrying 5.25% interest and the remaining 50% as deferred redeemable capital, conveyed vide telex message dated 03.05.1988.
19. **GENERAL**
- a) As per the Clause 11.7 the Share Purchase agreement entered into between M/s .Dredging Corporation of India Limited and Paradip Port Authority. Paradip Port Authority has invested ₹257.04crore towards equity of M/s. Dredging Corporation of India Limited with a lock in period of 3 years.
The market price of DCI share as on 31.03.2025 stands at ₹544.25 as per (BSE) and ₹546.20 as per (NSE) and the total share value is ₹275.29 core as per (NSE).
- b) All Sundry Debtors are considered good and hence no provision is made for bad debts as per Government letter No.PR-20021/298-PG dated 06.11.2002. The matter is being taken





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up with CAG to formulate a uniform policy in this regard by Ministry of Shipping vide letter No.PD-21015/1/2017-PD-IV/327607 dated 05.05.2018.

c) The figures has been rounded up to rupees one.

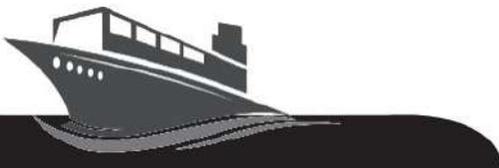
20. **SUNDRY DEBTORS:**

The age wise classification of sundry debtors are given below:

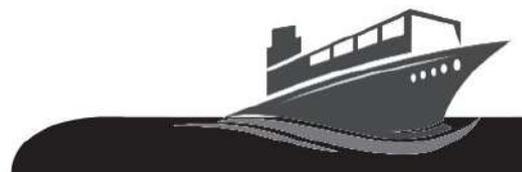
Less than 6 months	₹123.31 Crores
More than 6 months	₹109.98 Crores

Sd/-
D.N.Sondhi
F.A & C.A.O.
Paradip Port Authority

Sd/-
P.L.Haranadh
Chairman
Paradip Port Authority



PARADIP PORT AUTHORITY
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PARADIP PORT AUTHORITY

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Annexure-I

PENSION & GRATUITY FUND INCOME AND EXPENDITURE ACCOUNTS FOR THE YEAR ENDING 31.03.2025

EXPENDITURE	AMOUNT (₹)		INCOME	AMOUNT (₹)	
	2024-25	2023-24		2024-25	2023-24
Pension Payment	1,57,92,42,158	1,47,70,47,376	Interest Income		
Gratuity Payment	4,28,49,690	3,76,09,634	From Saving Account	37,50,243	26,82,602
Arrear Pension Payment-WRC	42,02,33,219	1,20,479	From LIC on Pension Fund	2,43,49,59,776	2,34,44,54,853
Premium towards Gratuity	6,47,023	8,74,588	From LIC on Gratuity Fund	8,86,17,847	8,67,92,805
Excess of Income Over Expenditure of Gratuity Fund	4,51,21,134	4,83,08,583	Other Income		
Excess of Income Over Expenditure of Pension Fund	43,92,34,642	86,99,69,600	Excess of Expenditure Over Income of Pension Fund		
			Excess of Expenditure Over Income of Gratuity Fund		
	<u>2,52,73,27,865</u>	<u>2,43,39,30,260</u>		<u>2,52,73,27,865</u>	<u>2,43,39,30,260</u>

Sd/-
D.N.Sondhi
F.A & C.A.O
Paradip Port Authority

Sd/-
P.L.Haranadh
Chairman
Paradip Port Authority





PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25

Annexure-II

PROVIDENT FUND ACCOUNT BALANCE SHEET AS AT 31.03.2025

AMOUNT (₹)

LIABILITIES	2024-25	2023-24	ASSETS	2024-25	2023-24
GPF Fund			Investment		
Opening Balance	98,89,82,947	96,58,55,238	Principal Amount	92,78,68,797	90,73,69,295
Add: Contribution	10,31,26,456	8,95,13,905	Interest Accrued	47,28,387	2,17,37,064
Add: Refund of Advance	28,21,895	37,19,413		93,25,97,184	92,91,06,359
Add: Interest	6,64,29,466	6,46,13,389			
Add: Surplus Interest	3,28,752	17,74,440			
	1,16,16,89,516	1,12,54,76,385	Current Assets, Loan & Advances		
Less-Shortfall of Interest			Receivable from PPT	81,15,396	97,80,714
Less Withdrawal	15,37,97,728	13,64,93,438	Receivable from Pension & Gratuity		-
	1,00,78,91,788	98,89,82,947			
CPF Fund			Cash & Bank Balance		
Opening Balance	1,07,20,900	1,68,06,093	Cash at Bank	7,52,97,797	6,08,16,774
Add: Contribution (Employee)	1,10,655	2,14,814			
Add: Contribution (Employer)	1,10,655	2,14,814			
Add: Recovery of Temporary Adv	1,82,800	2,59,872			
Add: Interest	6,07,770	9,00,975			
	1,17,32,780	1,83,96,568			
Less: Withdrawal	36,14,191	76,75,668			
	81,18,589	1,07,20,900			
	<u>1,01,60,10,377</u>	<u>99,97,03,847</u>		<u>1,01,60,10,377</u>	<u>99,97,03,847</u>

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PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25



Annexure-II

PROVIDENT FUND ACCOUNT INCOME AND EXPENDITURE ACCOUNTS FOR THE YEAR ENDING 31.03.2025

EXPENDITURE	AMOUNT (₹)		INCOME	AMOUNT (₹)	
	2024-25	2023-24		2024-25	2023-24
Interest on GPF Balances	6,64,29,466	6,46,13,389	Interest on FDR	6,31,86,284	6,66,64,237
Interest on CPF Balances	6,07,770	9,00,975	Income from MF	28,18,444	-
Bank Charges	295	353	Interest on Saving Bank A/c	13,61,555	6,24,920
Surplus	3,28,752	17,74,440			
	<u>6,73,66,283</u>	<u>6,72,89,157</u>		<u>6,73,66,283</u>	<u>6,72,89,157</u>

Sd/-
D.N.Sondhi
F.A & C.A.O
Paradip Port Authority

Sd/-
P.L.Haranadh
Chairman
Paradip Port Authority





PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25





PARADIP PORT AUTHORITY

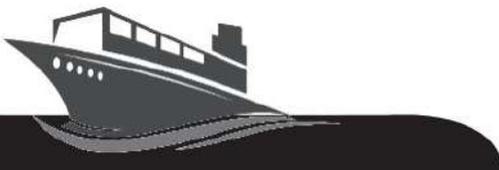


**AUDIT REPORT
2024-25**



PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25



**SEPARATE AUDIT REPORT ON THE ACCOUNTS OF
PARADIP PORT AUTHORITY FOR THE YEAR ENDED 31 MARCH 2025**

A. Balance Sheet
Application of Funds

(1) Property, Plant & Equipment ₹2,163.80 crore (Schedule-3)
Capital Works-in Progress ₹261.11 crore (Schedule-3)

The above includes an amount of ₹5.89 crore paid by the Authority, during 2024-25, for inter alia upliftment of facade of administrative building, guest house and proper maintenance of port residential quarters. This expenditure would neither enhance the useful life of the structures nor generate any future economic benefits. It is also not in the nature of replacement of any Property, Plant & Equipments. Thus, it could not be capitalized as per AS-10 (Property, Plant and Equipment) and should have been instead charged as expenditure in the Profit and Loss Account.

It resulted in overstatement of Capital Works-in Progress and Net Surplus after Income Tax by ₹5.89 crore and understatement of expenditure by the same amount.

(2) Investments ₹ 5,850.80 crore (Schedule 4)

The above includes ₹30 crore invested by the Authority in equity shares of M/s Sethusamudram Corporation Limited (SCL) in 2005. In this regard, it is observed that:

- The work on Sethusamudram Project has been halted in 2007.
- SCL has sold various operational assets like tugs, navigational aids, launches, buoys since it has not begun any operations from its inception in 2004.
- SCL has applied for liquidation, based on Ministry of Shipping directions of June 2019.

From above, there appears a decline in value in the long term investment, of the company in SCL, which is not temporary. Hence, as per AS-13 (Accounting of Investments) the carrying amount of the investment should have been reduced by the decline in value of investment based on assessment of market value, the investee's assets and results & expected cash flows from the investment. However, no such assessment has been carried out by the Authority. Hence, Audit could not vouchsafe the carrying amount of investment made by the Authority in SCL.

This comment is being raised since 2021-22 in SAR, however, no corrective action has been taken.

B. Accounting Policies

As per Accounting Policy No.7 on Financial Statements of Authority for the year 2024-25, "Govt. Grants are recognized by reducing the value of Assets to the extent of grants and only on receipt basis". However, in violation of the above policy and AS-12 (Accounting of Government Grants) the grant of ₹23.58 crore received for up-gradation and modernization of Fishing Harbour at Paradip, though expended for creation of Asset during 2024-25 but has not been reduced from value of assets and instead netted off directly from the grant received.





PARADIP PORT AUTHORITY Annual Accounts & Audit Report 2024-25

C. General

Contingent Liability does not include a demand (April 2024) of ₹8.15 crore raised by GST Commissioner for excess input tax credit claimed by the Authority 2018-19 and the appeal of Authority being rejected in January 2025 by the Appellate Authority. Though Authority has pre-deposited (June 2025) requisite 10 *per cent* of total tax demanded with intent to file an appeal before the GST Appellate Tribunal, pending final decision this amount should have been reflected as Contingent Liability as per provisions of AS-29 (Provisions, Contingent Liabilities and Contingent Assets). Thus, Contingent Liability were less recognized by an amount of ₹8.15 crore.

D. Management Letter

Deficiencies which have not been included in this Separate Audit Report have been brought to the notice of the Management through a Management Letter issued separately for remedial/corrective action.

E. Assessment of Internal Controls

(i) **Adequacy of Internal Control:** The internal control system needs to be strengthened in view of the following:

- Usage of FoxPro based accounting software: It does not keep an audit trail of changes made, overlapping accounting code being used and narrations in journal vouchers not being recorded.
- Billing of vessels right from intimation of vessel for berthing to reconciliation of payment has inherent weaknesses like various departments involved viz. Marine, Traffic and Finance not working in a synchronised manner, vessel intimation register being prepared manually and old billing software having insufficient safeguards being used.
- No records were being maintained for assets costing less than ₹1 lakh and having life upto five years unless they were part of some project.

(ii) **Adequacy of Internal Audit System:** The internal audit of the Authority needs to be strengthened as for the year 2024-25 internal auditor has given its report on Finance Department only.

(iii) **System of Physical verification of fixed assets:** The System Physical verification of fixed assets of the Authority needs to be strengthened as it is being carried out once in five years and it was last time carried out in 2022-23.

(iv) **System of Physical verification of inventory:** The System Physical verification of inventory of the Authority needs to be strengthened as it was not carried out during 2023-24 and 2024-25.

(v) **Regularity in payment of statutory dues:** Authority is regular in depositing undisputed statutory dues applicable to it.

F. Grants in aid

During the year 2024-25, Authority received ₹5.49 crore as grant for up-gradation and modernization of Fishing Harbour at Paradip, the Authority could not utilize any sum leaving whole of ₹5.49 crore as unutilized as on 31 March 2025.



PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25



ANNEXURE - I TO AUDIT REPORT

FINANCIAL POSITION OF PARADIP PORT AUTHORITY, PARADIP REVIEW OF ACCOUNTS OF PARADIP PORT AUTHORITY, PARADIP FOR THE YEAR ENDED 31ST MARCH 2025 BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

Note: This review of Accounts has been prepared without considering the audit observation /comments contained in the Audit Report of the Comptroller and Auditor General of India.

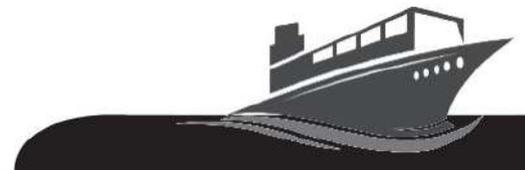
1. INTRODUCTION

The audit of accounts of the Paradip Port Authority, Paradip was conducted under Section 19(2) of the Comptroller and Auditor General of India's (Duties, Powers and Conditions of Service) Act, 1971 read with 44 (2) of the Major Port Authorities Act, 2021.

2. FINANCIAL POSITION

The financial position of the Paradip Port Authority under broad headings for the previous three years ending 31.03.2025 was as follows:

	(₹ in crore)		
	2024-25	2023-24	2022-23
A. LIABILITIES			
(i) Capital Reserve (#)	5180.91	4351.05	3731.59
(ii) Other Reserve (@)	6240.77	5526.65	4798.46
(iii) Borrowings -			
(a) Inter Corporate Loan	Nil	Nil	Nil
(b) Capital Debt.			
(Govt. of India Loan)	8.12	8.12	8.12
(c) Institutional Loan			
(Asian Development Bank)	Nil	Nil	Nil
(iv) Current Liabilities and Provisions	4301.32	3535.88	2880.74
(v) Other Liabilities (CPF/Pension fund etc.)	Nil	Nil	Nil
TOTAL	15731.12	13421.70	11418.90
B. ASSETS			
(i) Fixed Assets (Gross Block)	3241.05	3087.23	2617.45
(ii) Less: Depreciation	1338.46	1296.37	1245.23
(iii) Net Fixed Assets	1902.59	1790.86	1372.22
(iv) Work-in-Progress	261.11	269.38	531.76
(v) Investments	5860.80	5022.12	4383.38
(vi) Current Assets, Loans & Advances	7706.62	6339.34	5131.54
TOTAL	15731.12	13421.70	11418.90





PARADIP PORT AUTHORITY Annual Accounts & Audit Report 2024-25

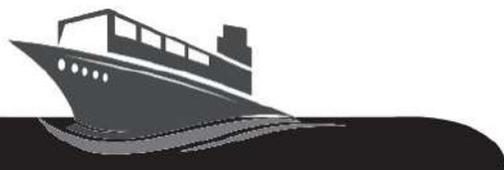
C. Working Capital (*)	3405.30	2803.47	2250.80
D. Net Worth (**)	6240.77	5526.66	4798.46
E. Capital Employed (***)	5307.89	4594.33	3623.02
F. Return on Capital Employed (****)	35.04	36.69	35.76
G. Capital Employed	5569.00	4863.70	4154.78
(Including Capital Work-in-Progress)			
H. Return on Capital Employed	33.40	34.65	31.18
(Including Capital Work-in-Progress)			

- (#) Capital Reserve represents 'Reserve for repayment of initial investment', 'Replacement, Rehabilitation, modernisation of Capital Assets Reserve' and 'Reserve for Development, Repayment of Loans and Contingencies' and Capital Reserve as well.
- (@) Other Reserve represents 'General Reserve', 'EL encashment fund' and 'Employees Welfare Fund'.
- (*) Working Capital represents Net Current Assets i.e., Current Assets minus Current Liabilities.
- (**) Net worth represents Free Reserves less accumulated deficit.
- (***) Capital Employed represents net fixed assets plus Working Capital.
- (****) Rate of Return represents percentage of Net Surplus (before provision for tax) to Capital Employed.

3. SUMMARY OF WORKING RESULTS

The working results of Paradip Port Authority for the Previous three years ending 31st March 2025 are summarized below:

		(₹ in crore)		
		2024-25	2023-24	2022-23
A	Revenue			
	(i) Operating Income	2452.40	2411.86	2073.65
	(ii) Non-Operating Income	304.47	246.33	181.57
	TOTAL	2756.87	2658.19	2255.22
B	EXPENDITURE			
	(i) Operating Expenditure	848.97	858.71	774.32
	(ii) Non-Operating Expenditure	47.90	113.97	185.27
	TOTAL	896.87	972.68	959.59
C	Net Surplus/(Deficit) before tax	1860.00	1685.51	1295.63
	Less:			
D	(i) Provision for taxation	626.57	587.03	444.84
	(ii) Deferred Tax Liability	23.49	14.36	7.19
E	Net Surplus/(Deficit) after tax	1209.94	1084.12	843.60
F	Less: Mandatory appropriation/ Transfer to Reserve Fund	500.00	360.00	250.00
G	Surplus/(Deficit) transferred to General Reserve fund	709.94	724.12	593.60



PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25



H	Percentage of Net Surplus (before tax) to			
(a)	Operating Income	75.84	69.88	62.48
(b)	Net Fixed Assets	0.98	0.94	0.94
(c)	Net Worth	29.80	30.50	27.00

4. RATIO ANALYSIS (LIQUIDITY AND SOLVENCY)

No	Ratios	2024-25	2023-24	2022-23
(a)	Percentage of Current Assets to Current Liabilities	179.17	179.29	178.13
(b)	Percentage of Quick Assets to Current Liabilities	83.89	89.40	89.47
(c)	Percentage of Sundry Debtors to Operating Income	9.51	7.97	7.62
(d)	Debt to Capital Reserve & General Reserve	0.00071	0.00082	0.00095

Place: Kolkata
Date:

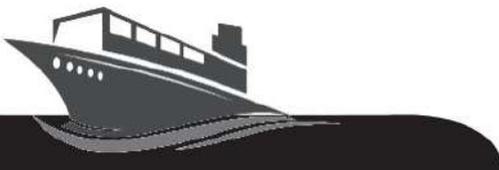
(S. Sivakumar)
Dy. Director





PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25





PARADIP PORT AUTHORITY



**ACTION TAKEN NOTE ON SEPARATE
AUDIT REPORT FROM THE OFFICE OF
THE DIRECTOR GENERAL OF AUDIT
(MINES) KOLKATA ON THE ACCOUNTS
OF THE PARADIP PORT AUTHORITY FOR
THE YEAR ENDED 31ST MARCH, 2025**



PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25



PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25



Observation made by Audit	Action Taken by Paradip Port Authority
<p>A.1 Balance Sheet Application of Funds</p> <p>(1) Property, Plant & Equipment ₹2,163.80 crore (Schedule-3)</p> <p>Capital Works-in Progress ₹261.11 crore (Schedule-3)</p> <p>The above includes an amount of ₹5.89 crore paid by the Authority, during 2024-25, for inter alia upliftment of facade of administrative building, guest house and proper maintenance of port residential quarters. This expenditure would neither enhance the useful life of the structures nor generate any future economic benefits. It is also not in the nature of replacement of any Property, Plant & Equipments. Thus, it could not be capitalized as per AS-10 (Property, Plant and Equipment) and should have been instead charged as expenditure in the Profit and Loss Account.</p> <p>It resulted in overstatement of Capital Works-in Progress and Net Surplus after Income Tax by ₹5.89 crore and understatement of expenditure by the same amount.</p>	<p>NBCC has been awarded the work of "Upliftment FACADE of PPA Admin building" vide Work Order No. CE/R&B/Accts-19/23/349 dated 10.10.2023 at an estimated cost of ₹11.88 Cr. Against this, an amount of ₹5.89 Cr has been incurred and booked to CWIP.</p> <p>Kindly refer the Para 12 of the AS 10 which states as 'An enterprise doesn't recognise in the carrying amount of an item of property, plant and equipment, the cost of the day-to-day servicing of the item. Rather, these costs are recognised in the statement of profit and loss as incurred. Costs of day-to-day servicing are primarily the cost of labour and consumables and include the cost of small parts. The purpose of such expenditure is often described as for the repair and maintenance of items of property, plant and equipment.</p> <p>Further, With reference to the "Recognition" criteria and the "Subsequent Cost" capitalization of AS-10:</p> <ol style="list-style-type: none"> It is certain that future economic benefits associated with the Facades will flow to PPA by: <ol style="list-style-type: none"> Reduction of painting and other repair cost, i.e. protect the building from further deterioration. Can be considered as complete new exterior designs to the existing building both for beautification and reduction in day to day repair cost. The cost of the facades is measured reliably. Fixing of Facades amounting to ₹5,89,25,915 are not in nature of day-today repairing / servicing cost which will be charged to P&L as repair cost. <p>From the above, it is clear that the cost of FACADE of the buildings don't fall in line with the para 12 of AS 10 above. This is one time cost to maintain the life of building to protect further from deterioration, this is neither recurring nature of work nor minor repair & maintenance. This is an augmentation of the building. Hence, expenditure booked under Capital Works in Progress is in line.</p>
<p>A.2 Investments ₹ 5,850.80 crore (Schedule 4)</p> <p>The above includes ₹30 crore invested by the Authority in equity shares of M/s Sethusamudram Corporation Limited (SCL) in 2005. In this regard, it is observed that:</p> <ul style="list-style-type: none"> The work on Sethusamudram Project has been halted in 2007. SCL has sold various operational assets like tugs, navigational aids, launches, buoys since it has not begun any operations from its inception in 2004. SCL has applied for liquidation, based on Ministry of Shipping directions of June 2019. 	<p>Please refer Sl. No. 17 of the Notes to Accounts, wherein it is disclosed that Paradip Port Authority made an investment of ₹30 Crores in the Equity Shares of M/s. Sethusamudram Corporation Limited (M/s. SCL) as per Ministry of Shipping and Road Transport & Highways letter No. PD-26014/3/2004-Setu dated 1st June 2005 along with, other major ports. PSUs and Government of India. Accordingly, the investment is made by the port with M/s. SCL under investment at cost. Since M/s. SCL is not a listed company and owned by Major Ports, PSUs and Government of India, it is not ascertainable for declining of investment. Long Term Investments are usually carried at cost and when there is decline in the value of Long-Term Investments, carrying amount is reduced to recognise the decline. Indications of value of</p>





PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25

Observation made by Audit	Action Taken by Paradip Port Authority
<p>From above, there appears a decline in value in the long term investment, of the company in SCL, which is not temporary. Hence, as per AS-13 (Accounting of Investments) the carrying amount of the investment should have been reduced by the decline in value of investment based on assessment of market value, the investee's assets and results & expected cash flows from the investment. However, no such assessment has been carried out by the Authority. Hence, Audit could not vouchsafe the carrying amount of investment made by the Authority in SCL.</p> <p>This comment is being raised since 2021-22 in SAR, however, no corrective action has been taken.</p>	<p>an investment are obtained on its' market value. As pointed out above, M/s. SCL shares are not listed in stock exchange. Hence, the value has not been disclosed. Further, it is informed that M/s. SCL has moved a proposal for liquidation to the Ministry against which no direction has been received till date. Even M/s. SCL has also not indicated any such impact in writing to recognise such decline/diminution. Since, it is long term investment and necessary action, if any, on the carrying cost will be taken on receipt of information on winding up of the M/s. SCL from the Government of India.</p>
<p>B. Accounting Policies</p> <p>As per Accounting Policy No.7 on Financial Statements of Authority for the year 2024-25, "Govt. Grants are recognized by reducing the value of Assets to the extent of grants and only on receipt basis". However, in violation of the above policy and AS-12 (Accounting of Government Grants) the grant of ₹23.58 crore received for up-gradation and modernization of Fishing Harbour at Paradip, though expended for creation of Asset during 2024-25 but has not been reduced from value of assets and instead netted off directly from the grant received.</p>	<p>As per Accounting Policy No.7, the Govt. Grants are recognised by reducing the value of asset to the extent of Govt. Grant. Accordingly, the expenditure towards the construction of Fishing Harbour has been netted off against the Grants received. So, there is no understatement of CWIP as well as liability. Further, it is also submitted that the buildings/structures are being constructed on the lease land, the lease period of same is already over and matter has been submitted to Ministry (PPA letter dtd. 19/03/25) for extension of the same. Hence the decision of CWIP or otherwise will be decided only after the decision of Ministry.</p>
<p>C. General</p> <p>Contingent Liability does not include a demand (April 2024) of ₹8.15 crore raised by GST Commissioner for excess input tax credit claimed by the Authority 2018-19 and the appeal of Authority being rejected in January 2025 by the Appellate Authority. Though Authority has pre-deposited (June 2025) requisite 10 per cent of total tax demanded with intent to file an appeal before the GST Appellate Tribunal, pending final decision this amount should have been reflected as Contingent Liability as per provisions of AS-29 (Provisions, Contingent Liabilities and Contingent Assets). Thus, Contingent Liability were less recognized by an amount of ₹ 8.15 crore.</p>	<p>The GST provision allow the dealer to approach the higher authority against the order of the lower authority. In the instant case, the order against PPA has been given by the Additional Commissioner of State Tax (Appeal).</p> <p>Since PPA is confident to get the order for availment of input tax credit in its favour which is also endorsed by the communication received from our consultant M/s PWC (Copy enclosed). Further, as per the advice of our consultant, PWC, PPA is already initiated the action for appeal against the subjected order and the requisite pre-deposit amount i.e. 10% of the total tax demanded was deposited on 02.06.2025 for intending to file an appeal before the Hon'ble GST Appellate Tribunal and same is intimated vide letter dtd.4th June, 2025 (Copy enclosed) to the Jt. Commissioner of State Tax. Hence, at this stage it is not required to provide the same as liability.</p>
<p>E. (i) E. Assessment of Internal Controls</p> <p>(i) Adequacy of Internal Control: The internal control system needs to be strengthened in view of the following:</p>	<p>Paradip Port is in implementation of ERP. All these discrepancies as observed by Audit will be well taken care after implementation of ERP.</p>



PARADIP PORT AUTHORITY

Annual Accounts & Audit Report 2024-25



Observation made by Audit	Action Taken by Paradip Port Authority
<ul style="list-style-type: none"> ➤ Usage of FoxPro based accounting software: It does not keep an audit trail of changes made, overlapping accounting code being used and narrations in journal vouchers not being recorded. ➤ Billing of vessels right from intimation of vessel for berthing to reconciliation of payment has inherent weaknesses like various departments involved viz. Marine, Traffic and Finance not working in a synchronised manner, vessel intimation register being prepared manually and old billing software having insufficient safeguards being used. ➤ No records were being maintained for assets costing less than ₹1 lakh and having life upto five years unless they were part of some project. 	
<p>(ii) Adequacy of Internal Audit System: The internal audit of the Authority needs to be strengthened as for the year 2024-25 internal auditor has given its report on Finance Department only.</p>	Noted.
<p>(iii) System of Physical verification of fixed assets: The System Physical verification of fixed assets of the Authority needs to be strengthened as it is being carried out once in five years and it was last time carried out in 2022-23.</p>	Noted.
<p>(iv) System of Physical verification of inventory: The System Physical verification of inventory of the Authority needs to be strengthened as it was not carried out during 2023-24 and 2024-25.</p>	Noted.
<p>(v) Regularity in payment of statutory dues: Authority is regular in depositing undisputed statutory dues applicable to it.</p>	Noted.
<p>F. Grants in aid During the year 2024-25, Authority received ₹5.49 crore as grant for up-gradation and modernization of Fishing Harbour at Paradip, the Authority could not utilize any sum leaving whole of ₹5.49 crore as unutilized as on 31 March 2025.</p>	Noted.

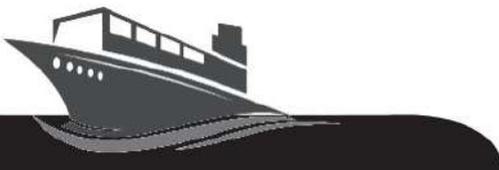
FA & CAO
Paradip Port Authority





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Annual Accounts & Audit Report 2024-25





Paradip Port Authority



Paradip Port - 754142, Odisha (India), Tel: 06722-222127, Fax: 06722-222256
Website : www.paradipport.gov.in