Sikka Ports & Terminals Limited

Annual Report
2020-2021

Corporate Identification Number (CIN) of the Company:
U45102GJ1997PLC031906

Name of the Company:
Sikka Ports & Terminals Limited

Registered Office:
Admin Building, MTF Area,
Village Sikka, Taluka & District - Jamnagar,
Jamnagar - 361 140, Gujarat.

Corporate Office:
3rd Floor, Maker Chambers IV,
222, Nariman Point,
Mumbai - 400 021
Tel: +91 022-35555500, Fax: +91 022-35555560
Website: www.sptl.co.in

Board of Directors:

Shri Sanjeev Dandekar	: Director
Shri Y. B. Prasad	: Director
Ms. Geeta Fulwadaya	: Director
Shri S Anantharaman	: Independent Director
Shri Natarajan T G	: Independent Director

Key Managerial Personnel:

Shri M. Sundar	: Manager
Ms. V. Mohana	: Company Secretary
Shri Ritesh Shiyal	: Chief Financial Officer

Auditors:
M/s. D T S & Associates LLP
Chartered Accountants,
Suite# 1306-1307, Lodha Supremus,
Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013.

Registrar & Transfer Agents:
KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
Selenium Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally.
Hyderabad, Rangareddi TG, 500 032
Tel. No. +91 40 6716 1700

BOARD'S REPORT

Dear Members,

The Board of Directors present the Company's Twenty Fifth Annual Report and the Company's audited financial statement for the financial year ended March 31, 2021.

Financial Results

The Company's financial performance (standalone and consolidated) for the year ended March 31, 2021 is summarised below:

(Rs. in crore)

	Standalone		Consolidated
	2020-21	**2019-20**	**2020-21**
Revenue from Operations	3635.32	4005.45	3635.32
Other Income	2666.98	2198.92	2666.98
Profit before Interest, Tax and Depreciation	5403.46	2580.64	5403.46
Profit before Tax	**2234.35**	**592.32**	**2234.35**
Less: Current Tax	896.30	236.00	896.30
Deferred Tax	286.48	917.72	286.48
Profit / (Loss) for the year	**1051.57**	**(561.40)**	**1051.57**
Add: Other Comprehensive Income / (Loss) (OCI)	368.65	(640.59)	368.65
Total Comprehensive Income / (Loss) for the year	**1420.22**	**(1201.99)**	**1420.22**
Add: Opening Balance in Retained Earnings and OCI (Adjusted)	(6907.83)	(5705.84)	(6907.83)
Less: Appropriation	-	-	-
Closing Balance (including Other Comprehensive Income)	**(5487.61)**	**(6907.83)**	**(5487.61)**

Note: The Company did not have any subsidiaries or associates during the previous year 2019-20, hence it was not required to prepare consolidated financial statements for the previous year 2019-20. Accordingly, figures for previous year are not reported.

Operations

The Company has continued to provide seamless port infrastructure services to the manufacturing facilities of Reliance Industries Limited at Jamnagar. During the year under review, 1,384 vessels were handled at the port facilities of the Company with over 113 million tonnes of crude, petroleum and petrochemical products.

The Company is setting-up new liquid berth (Berth A2) in addition to existing five berths at its port facilities in Jamnagar. The construction and installation of Berth A2 is in advanced stage of completion. The Berth A2 is expected to commence operations in Q2 of FY 2021-22.

The Plant and Equipment Hiring Division of the Company, which has variety of equipment viz. crawler cranes, hydraulic cranes, earth moving equipment, electrical equipment, forklifts and trucks, has logged in over 15 lakh working hours during the year under review. The Company has also handled over 1.17 lakh metric tonnes of cargo in Special Economic Zone area at Jamnagar.

During the year under review, the Company has altered the main objects clause of the Memorandum of Association of the Company to include, in addition to the existing main objects, undertaking business of providing non-scheduled air transport services. The Ministry of Corporate Affairs has approved the said alteration on February 23, 2021 and the Company is in the process of obtaining permit from the Directorate General of Civil Aviation in this regard.

During the year, the Company has deployed sum of Rs. 22,450 crore in units/loans to Digital Fibre Infrastructure Trust (DFIT), an Infrastructure Investment Trust (InvIT) which controls Jio Digital Fibre Private Limited (JDFPL) engaged in operating, maintaining and managing optic fibre cables and related assets and providing optic fibre infrastructure services to telecommunications service providers. This long term investment is expected to generate steady returns and cashflows to the Company.

Material changes and commitments affecting the Company

The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has evaluated impact of COVID-19 and there has been no significant impact on its major business operations. The Company has taken into account the impact of COVID-19 wherever applicable in preparation of the audited standalone financial statement, including its assessment of recoverable value of its assets based on internal and external information upto the date of approval of the audited standalone financial statement.

Dividend

The Board of Directors of the Company has not recommended any dividend on Preference Shares and Equity Shares for the year under review.

Consolidated Financial Statement

The Company does not have any subsidiary. The audited Consolidated Financial Statement as per IND AS 28 - Investments in Associates and Joint Ventures forms part of the Annual Report.

The audited financial statement including the consolidated financial statement of the Company and all other documents required to be attached thereto is available on the Company's website and can be accessed at https://sptl.co.in/pdf/sptl-annual-report-2020-21.pdf.

A statement providing details of performance and salient features of the financial statement of associate company and jointly controlled entity, is provided as Annexure A to the consolidated financial statement and therefore not repeated here for the sake of brevity.

Subsidiary, Joint Venture and Associate Company

During the year under review, no company has become or ceased to be the Company's subsidiary.

The Company is a partner of Amritkalash Commercial LLP with 75% share in profit and loss and Jamnagar Utilities & Power Private Limited holds the balance 25% share, hence Amritkalash Commercial LLP is jointly controlled.

During the year under review, the Company and Jamnagar Utilities & Power Private Limited, have incorporated Vaijayanti Commercial LLP and Drishtimohan Commercial LLP with a profit sharing ratio of 50:50 and a capital contribution of Rs. 50,00,000 each in the said LLPs and are jointly controlled.

Issue, allotment and redemption of Preference Shares

During the year under review, the Company has issued and allotted 1,88,00,000 9% Cumulative Redeemable Preference Shares – Series III & Series IV of the face value of Rs. 10/- each, for cash, at par, aggregating to Rs. 18,80,00,000 (Rupees Eighteen Crore Eighty Lakh only), to the existing holders of equity shares of the Company on Rights Basis.

During the year under review, the Company has redeemed 1,88,00,000 10% Non-Cumulative Redeemable Preference Shares (Series 3 to 6) of the face value of Rs. 10/- each at a premium of Rs. 990/- per share aggregating to Rs. 1880,00,00,000/- (Rupees One Thousand Eight Hundred and Eighty Crore only).

Issue and allotment of Debentures

During the year under review, the Company has issued and allotted 20,000 7.20% Secured Redeemable Non-Convertible Debentures – PPD 11 of the face value of Rs. 10,00,000/- each aggregating to Rs.2000 crore (Rupees Two Thousand Crore only) on a private placement basis in compliance with the applicable provisions of the Act and rules made thereunder.

After the end of the financial year, the Company has issued and allotted 40,000 6.75% Secured Redeemable Non-Convertible Debentures – PPD 12 of the face value of Rs. 10,00,000/- each aggregating to Rs. 4000 crore (Rupees Four Thousand Crore only) on a private placement basis in compliance with the applicable provisions of the Act and rules made thereunder.

The aforesaid Debentures are listed on the Wholesale Debt Market Segment of BSE Limited.

Directors' Responsibility Statement

Your Directors state that:

(a) in the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures from the same;

(b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;

(c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a 'going concern' basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Contracts or arrangements with Related Parties

During the year under review, all the transactions which were within the purview of Section 188 of the Act, were on an arm's length basis and entered into in the ordinary course of business.

Members may refer Note 33 to the Standalone Financial Statement which sets out related party disclosures pursuant to Ind AS.

Corporate Social Responsibility (CSR)

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility

Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at https://www.sptl.co.in/pdf/sptl-csr-policy.pdf.

In terms of the CSR Policy, the focus areas of engagement are rural transformation, affordable healthcare solutions, access to quality education, environmental sustainability, animal welfare and protection of national heritage.

During the year, the Company has spent Rs.30.23 crore (more than 2% of the average net profits of last three financial years) on CSR activities.

The Annual Report on CSR activities is annexed herewith and marked as **Annexure I** to this Report.

Risk Management

The Company has in place a Risk Management Policy which provides for a robust risk management framework to identify and assess risks such as operational, financial, regulatory and other risks. There is an adequate risk management infrastructure in place capable of addressing such risks.

Internal Financial Controls

The Company has adequate internal financial controls commensurate with the size of the business and nature of its operations, designed to provide reasonable assurance with regard to the accuracy and completeness of the accounting records and timely preparation and provision of reliable financial statements.

Directors and Key Managerial Personnel

In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Y. B. Prasad (DIN: 06526111), Director of the Company, retires by rotation at the ensuing Annual General Meeting. The Board of Directors on the recommendation of the Nomination and Remuneration Committee has recommended his re-appointment.

Shri K. R. Raja (DIN: 00006673), resigned as a Director of the Company with effect from September 22, 2020.The Board places on record its appreciation for the valuable contribution made by him during his tenure as a Director of the Company.

The Board of Directors has appointed Shri Sanjeev Dandekar (DIN: 00022797) as an Additional Director of the Company with effect from October 20, 2020. In terms of Section 161(1) of the Act, he shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his candidature for appointment as a Director of the Company, liable to retire by rotation.

The Company has received declarations from all the Independent Directors of the Company, confirming that:

a. they meet the criteria of independence prescribed under the Act;

b. they have registered their names in the Independent Directors' Databank; and

c. they are exempted / passed the proficiency test as prescribed.

Shri M Sundar ceased to be Manager of the Company upon completion of his term on December 31, 2020 and was again appointed as Manager with effect from January 22, 2021 to hold office for a period upto December 31, 2022.

During the year under review, there was no other change in the Key Managerial Personnel of the Company.

The Company has devised, *inter-alia*, the following policies viz.:

1. Policy for Appointment of Directors and criteria for determining Directors' independence; and
2. Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

The aforesaid policies are available on the Company's website and can be accessed at https://www.sptl.co.in/pdf/sptl-policy-appointment-of-directors-and-determining-directors.pdf and https://www.sptl.co.in/pdf/sptl-remuneration-policy-for-directors-and-other-employees.pdf.

The Policy for Appointment of Directors and criteria for determining Directors' independence sets out the guiding principles for the Nomination and Remuneration Committee (NRC) for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company. The Policy also provides for the factors in evaluating the suitability of individual Board members with diverse background and experience that are relevant for the Company's operations.

There has been no change in the aforesaid policy during the year.

The Remuneration Policy for Directors, Key Managerial Personnel and other employees sets out the guiding principles for the NRC for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. There has been no change in the policy during the year.

Performance Evaluation

The Company has devised a Policy for performance evaluation of the Board, its Committees and Individual Directors (including Independent Directors) which includes criteria for performance evaluation of the Non-executive Directors and Executive Directors. The evaluation process, *inter-alia,* considers attendance of Directors at Board and committee meetings, acquaintance with business, communication *inter-se* board members, effective participation, compliance with code of conduct, etc. which is in compliance with applicable laws, regulations and guidelines.

In accordance with the manner specified by the Nomination and Remuneration Committee, the Board has evaluated its own performance, performance of the individual Directors and committees of the Board of Directors. The evaluation was done through a questionnaire by using technology based platform and the responses received were evaluated by the Board.

Auditors and Auditors' Report

a. Statutory Auditors

D T S & Associates LLP (formerly known as D T S & Associates), Chartered Accountants (Registration No. 142412W/W100595), were appointed as Auditors of the Company for a term of 5 (five) consecutive years, at the Annual General Meeting held on September 29, 2017. They have confirmed their eligibility and qualifications required under the Act for holding office as Auditors of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

b. Secretarial Auditor

The Board of Directors of the Company had appointed Shashikala Rao & Co., Company Secretaries, to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith and marked as **Annexure II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Disclosures

Meetings of the Board

7 (Seven) meetings of the Board of Directors were held during the financial year 2020-21.

Audit Committee

During the year under review, the Audit Committee of the Company comprised of Shri K. R. Raja (Chairman), Shri S. Anantharaman (DIN: 00178723) and Shri Natarajan T. G. (DIN: 00013939) as members.

In view of resignation of Shri K. R. Raja as Director of the Company and appointment of Shri Sanjeev Dandekar as an Additional Director, the Audit Committee of the Board of Directors of the Company was re-constituted comprising Shri Sanjeev Dandekar (Chairman), Shri S. Anantharaman and Shri Natarajan T. G. as members.

During the year, all the recommendations made by the Audit Committee were accepted by the Board.

5 (Five) meetings of the Audit Committee of the Board of Directors of the Company were held during the financial year 2020-21.

Corporate Social Responsibility Committee

During the year under review, the Corporate Social Responsibility Committee of the Company comprised of Shri K. R. Raja (Chairman), Shri S. Anantharaman, Shri Natarajan T. G. and Shri Y. B. Prasad as members.

In view of resignation of Shri K. R. Raja as Director of the Company and appointment of Shri Sanjeev Dandekar as an Additional Director, the Corporate Social Responsibility Committee of the Board of Directors of the Company was re-constituted comprising Shri Sanjeev Dandekar (Chairman), Shri S. Anantharaman, Shri Natarajan T. G. and Shri Y. B. Prasad as members.

2 (Two) meetings of the Corporate Social Responsibility Committee of the Board of Directors of the Company were held during the financial year 2020-21.

Nomination and Remuneration Committee

During the year under review, the Nomination and Remuneration Committee of the Company comprised of Shri K. R. Raja (Chairman), Shri S. Anantharaman, Shri Natarajan T. G. and Shri Y. B. Prasad as members.

In view of resignation of Shri K. R. Raja as Director of the Company and appointment of Shri Sanjeev Dandekar as an Additional Director, the Nomination and Remuneration Committee of the Board of Directors of the Company was re-constituted comprising Shri Sanjeev Dandekar (Chairman), Shri S. Anantharaman, Shri Natarajan T. G. and Shri Y. B. Prasad as members.

3 (Three) meetings of the Nomination and Remuneration Committee of the Board of Directors of the Company were held during the financial year 2020-21.

Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy, includes an Ethics & Compliance Task Force (Task Force) comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Task Force or to the Chairman of the Audit Committee.

The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website at https://www.sptl.co.in/pdf/sptl-vigil-mechanism-whistle-policy.pdf.

During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil Mechanism and Whistle Blower Policy of the Company was received by the Company.

Particulars of loans given, investments made, guarantees given and securities provided

The Company, being a company providing infrastructural facilities, is exempted from the provisions of Section 186 of the Act relating to loan given, investment made, guarantee given and security provided.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

A. Conservation of Energy

(i) Steps taken for conservation of energy:

Energy conservation dictates how efficiently a company can conduct its operations. The Company has recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company carries out its operations in an environmental friendly manner and is always on the look-out for different ways and means to reduce the consumption of energy in its operations.

(ii) Steps taken by the Company for utilising alternate sources of energy:

Nil

(iii) The capital investment on energy conservation equipment:

Nil

B. Technology Absorption

(i) Major efforts made towards technology absorption:

The Company has not entered into any technology agreement or collaborations.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

None

(iii) Information regarding imported technology (Imported during last three years):

The Company has not imported any technology during the last three years.

(iv) Expenditure incurred on research and development:

None

C. Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows - Rs. 2156.69 crore

Foreign Exchange outgo in terms of actual outflows - Rs. 260.33 crore

Annual Return

The Annual Return of the Company as on March 31, 2021 is available on the website of the Company and can be accessed at https://sptl.co.in/pdf/sptl-annual-return-fy-2020-21.pdf.

Secretarial Standards

The Company has followed applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

Particulars of Employees and related disclosures

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company.

Any member interested in obtaining such information may write to the Company to email id – company.secretary@sptl.co.in.

General

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions or applicability on these matters during the year under review:

i) Details relating to deposits covered under Chapter V of the Act.

ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.

iii) Issue of shares (including sweat equity shares and ESOS) to employees of the Company under any scheme.

iv) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

v) No fraud has been reported by the Auditors to the Audit Committee or the Board of Directors of the Company.

vi) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

vii) The Company is not required to maintain cost records in terms of Section 148(1) of the Act.

viii) There has been no change in the nature of business of the Company.

ix) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

x) There was no instance of onetime settlement with any Bank or Financial Institution.

Disclosure pertaining to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There were no cases/complaints filed during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the said Act"). Further, the Company has constituted Internal Complaints Committee as required under the said Act.

Acknowledgement

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, debenture holders, customers, vendors and members during the year under review. The Board of Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

Sanjeev Dandekar	**Y. B. Prasad**
Director	**Director**
(DIN: 00022797)	**(DIN: 06526111)**
Place: Mumbai	**Place: Jamnagar**

Date: June 21, 2021

ANNEXURE I

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2020- 21

1.	Brief outline on CSR Policy of the Company	Refer Section: Corporate Social Responsibility (CSR) in the Board's Report

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri K R Raja*	Chairman (Non- Executive Director)	2	1
2	Shri Sanjeev Dandekar$	Chairman (Non- Executive Director)	2	0
3	Shri S. Anantharaman	Member (Non- Executive Director)	2	2
4	Shri Natarajan T.G.	Member (Non- Executive Director)	2	2
5	Shri Y.B. Prasad	Member (Non- Executive Director)	2	2

*Resigned as a Director of the Company with effect from September 22, 2020

$Appointed as a Director of the Company with effect from October 20, 2020

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	Composition of CSR Committee CSR Policy CSR projects approved by the Board	https://sptl.co.in/pdf/sptl-csr-policy.pdf https://sptl.co.in/aboutus.html CSR Projects for FY 2021-22 will be uploaded on the website on approval by the Board.

4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable for the financial year under review

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)*	Amount required to be set-off for the financial year, if any (in Rs.)
1.	2019-20	1,18,758	Nil
2.	2018-19	9,58,565	Nil
3.	2017-18	2,56,176	Nil
	TOTAL	13,33,499	Nil

*The Company has spent in excess of the mandatory requirement under the Companies Act, 2013 but the same is not proposed to be set off.

6.	Average net profit of the company as per section 135(5).	Rs. 1510,42,36,675/-
7.	(a) Two percent of average net profit of the company as per section 135(5)	Rs. 30,20,84,734/-
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	(c) Amount required to be set off for the financial year, if any	Nil
	(d) Total CSR obligation for the financial year (7a+7b-7c).	Rs. 30,20,84,734/-

8(a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
Rs. 30,22,99,349/-	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer.
	Not Applicable		Not Applicable		

8(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
	TOTAL	-	-	-	-	-	-	-	-	-	-	-

8(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	Sustainable Livelihoods Programme	Clause (iv) Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agro forestry, conservation of natural resources & maintaining quality of soil, air & water	Yes	Gujarat	Jamnagar	1,23,00,000	No	Reliance Foundation CSR00000623	
2	Animal Welfare and Protection of Wildlife	Clause (iv) Ensuring environmental sustainability ecological balance, protection of flora & fauna, animal welfare, agro forestry, conservation of natural resources & maintaining quality of soil, air & water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Gujarat	Jamnagar	28,99,99,349	Yes	-	
	TOTAL					30,22,99,349			

8(d)	Amount spent in Administrative Overheads	-
8(e)	Amount spent on Impact Assessment, if applicable	-
8(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	Rs. 30,22,99,349/-

8(g) Excess amount for set off, if any:

Sl. No	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	30,20,84,734/-
(ii)	Total amount spent for the Financial Year	30,22,99,349/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,14,615
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,14,615

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	**Preceding Financial Year**	**Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)**	**Amount spent in the reporting Financial Year (in Rs.)**	**Amount transferred to any fund specified under Schedule VII as per section 135(6), if any**			**Amount remaining to be spent in succeeding financial years (in Rs.)**
				Name of the Fund	**Amount (in Rs.)**	**Date of transfer**	
Not Applicable							

9(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**	**(8)**	**(9)**
Sl. No.	**Project ID**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total amount allocated for the project (in Rs.)**	**Amount spent on the project in the reporting Financial Year (in Rs.)**	**Cumulative amount spent at the end of reporting Financial Year (in Rs.)**	**Status of the project - Completed / Ongoing.**
Not Applicable								

10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details).**	
(a)	Date of creation or acquisition of the capital asset(s).	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset.	Not Applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

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

For and on behalf of the Corporate Social Responsibility Committee

Sanjeev Dandekar
Chairman, CSR Committee
(DIN: 00022797)
Place: Mumbai

Y. B. Prasad
Director
(DIN: 06526111)
Place: Jamnagar

Date: June 21, 2021

ANNEXURE II

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

To,

The Members,
Sikka Ports & Terminals Limited
Admin Building, MTF Area
Village Sikka, Taluka & District
Jamnagar- 361140
Gujarat

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sikka Ports & Terminals Limited ("the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and provided as scanned copies by email and/ or through permitted access to the Company's in-house portal and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 **("the Financial Year")**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year according to the provisions of:

i) The Companies Act, 2013 ("**the Act**") and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable to the Company during the Audit Period**;

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

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not Applicable to the Company during the Audit Period**;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable to the Company during the Audit Period**;

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable to the Company during the Audit Period**;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable to the Company during the Audit Period**;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable to the Company during the Audit Period**;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Audit Period**; and

i) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to the Non- Convertible Debt Securities of the Company which are listed.

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

i) Secretarial Standards issued by The Institute of Company Secretaries of India;

ii) The Listing Agreement entered into by the Company with Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, the Company has identified the following laws as specifically applicable to the Company:

a. The Gujarat Maritime Board Act, 1981

b. The Merchant Shipping Act, 1958

c. The Petroleum Act, 1934

We further report that-

The Board of Directors of the Company is constituted comprising Non-Executive Directors and Independent Directors. The changes in the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The Company has appointed a Manager in order to comply with the requirements of section 203 of the Act.

Adequate notice was given to all directors of the Company of the meetings of the Board (including meetings of the Committees), except where consent of directors was received for shorter notice. With the consent of the directors, the agenda and detailed notes on agenda for some Board meetings (including some meetings of the Committees), were sent less than seven days before the date of the respective meeting(s).

We further report that the Company has devised a system which enables the directors to seek and obtain further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions made at Board Meetings and Committee Meetings have unanimous consent of directors (excluding the directors who are concerned or interested in specific items) as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that having regard to the compliance system prevailing in the Company and as per explanations and management representations obtained and relied upon by me the Company has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period the Company has done the following transactions in due compliance with the applicable provisions of the Act:

1. Issued and allotted 20,000 secured redeemable non-convertible debentures of Rs. 10 lakhs each aggregating Rs. 2,000 crore on private placement basis;
2. Issued and allotted 1,88,00,000 cumulative redeemable preference shares of Rs. 10 each aggregating Rs. 18.80 crore on rights basis;
3. Redeemed 1,88,00,000 non-cumulative redeemable preference shares of Rs. 10 each at a premium of Rs. 990 each aggregating Rs. 1,880 crore;
4. Altered Objects Clause of the Memorandum of Association of the Company;
5. Invested Rs. 2,500 crore in units of Infrastructure Investment Trust out of which Rs. 2,450 crore were outstanding as on March 31, 2021;
6. Advanced loans of Rs. 20,000 crore to Infrastructure Investment Trust.

For Shashikala Rao & Co.
Company Secretaries
ICSI Unique Code: P2010MH067400
PR 845/2020

Shashikala Rao
Partner
FCS 3866 CP No 9482
UDIN F003866C000494961

Place: Mumbai
Date: June 21, 2021

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To,
The Members
Sikka Ports & Terminals Limited

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. Wherever required, we have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Shashikala Rao & Co.
Company Secretaries
ICSI Unique Code: P2010MH067400
PR 845/2020

Shashikala Rao
Partner
FCS 3866 CP No 9482
UDIN F003866C000494961

Place: Mumbai
Date: June 21, 2021

Independent Auditors' Report

To the Members of Sikka Ports & Terminals Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Sikka Ports & Terminals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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 then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, the statement of 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Head	**Key Audit Matters**	**How our audit addressed the key audit matter**
Borrowings	As on 31st March 2021 the Company has outstanding Borrowings of Rs. 20,292.17 crore. These borrowings are by way of Non-convertible debentures listed on stock exchange of Rs. 18,476.88 crore (net off Rs. 23.12 crore prepaid finance charges), redeemable preference shares amounting to Rs. 566.90 crore, term loan from bank of Rs. 749.63 crore (net off Rs. 0.37 crore prepaid finance charges) (refer Note 18 of the standalone financial statements) & commercial paper of Rs. 498.76 crore (refer Note 21 of the standalone financial statements). The borrowings form significant portion of liabilities of the Company and hence considered to be a key audit matter.	Our audit procedures included the following: • Examining that the borrowings are authorised by the appropriate forum of the Company including Board of Directors and Members of the Company, wherever applicable. • Ensuring the compliances as per the Act and testing the disclosures given by the Company related to security creation and terms of repayments in the financial statements of the Company. • Ensuring that the disclosures required as per Schedule III to the Act, are made by the Company in the financial statements.

Information Other than the financial statements and Auditors' Report thereon

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

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements of the current period and are therefore the key audit matters. 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 (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.
   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as referred to in Note 35(I)(a) to the 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. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR **D T S & ASSOCIATES LLP**
Chartered Accountants
(Registration No. 142412W/W100595)

ASHISH G. MISTRY
Partner
Membership No. 132639
UDIN: 21132639AAAABK2501

Place: Mumbai
Date: 14th May, 2021

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Sikka Ports & Terminals Limited on the standalone financial statements for the year ended 31st March, 2021).

i. In respect of its fixed assets:

a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

c. As per the information and explanations provided to us, tittle deeds of Immovable Properties are generally in the name of the Company except for immovable properties (building) having the carrying value as at 31st March, 2021 aggregating to 0.28 crore acquired by the entities that have since been amalgamated with the Company.

ii. In our opinion and according to the information and explanations given to us, the inventories have been physically verified during the year by the management at reasonable intervals and as explained to us no material discrepancies were noticed on physical verification.

iii. There are no loans, secured or unsecured, granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 (“the Act”). Accordingly, the provisions of Clause (iii) of paragraph 3 of the Order are not applicable to the Company.

iv. In respect of loans, investments, guarantees and securities given by the Company:

a) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 of the Act.

b) According to the information and explanations given to us, the activity of the Company falls under the definition of infrastructural facilities as defined under explanation to section 186 of the Act. Since section 186 is not applicable to such companies, the requirement of clause (iv)(b) of paragraph 3 of the Order is not applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi. According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, in respect of activities carried on by the Company and accordingly, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.

vii. In respect of statutory dues:

a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Services Tax, Cess and other material statutory dues as applicable have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2021 for a period of more than six months from the date of becoming payable.

b. According to the records of the Company, the dues of Income Tax, Sales Tax, Goods and Service Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, as applicable, which have not been deposited on account of any dispute, are as follows-

Sr No	Name of Statue	Nature of dues	Amount (Rs. in crore)	Period to which the amount relates	Forum where the dispute is pending
1	Income Tax Act, 1961	Income Tax	0.14	2008-09	High Court
2	Income Tax Act, 1961	Income Tax	0.92	2013-14	CIT(A), Mumbai
3	Finance Act,1994	Service Tax	17.70	2008-09 & 2009-10	High court
4	Finance Act,1994	Service Tax	0.49	2008-09, 2009-10 & 2010-11	Additional Commissioner

viii. In our opinion and according to the information and explanations provided by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

ix. To the best of our knowledge and belief and according to the information and explanations given to us, during the year the Company has not raised any money by way of initial public offer, further public offer (including debt instruments). The Company utilised the monies raised during the financial year by way of term loan for the purposes for which they were raised except for proceeds from a term loan of Rs. 750.00 crore raised during the financial year, pending utilisation, are parked in liquid instruments as on 31st March 2021.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us, during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of Clause (xiv) of paragraph 3 of the Order are not applicable to the Company.

xv. According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of Clause (xvi) of paragraph 3 of the Order are not applicable to the Company.

For **D T S & Associates LLP**
Chartered Accountants
(Registration No. 142412W/W100595)

Ashish G. Mistry
Partner
Membership No. 132639
UDIN: 21132639AAAABK2501

Place: Mumbai
Date: 14th May, 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Sikka Ports & Terminals Limited on the standalone financial statements for the year ended 31st March, 2021)

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Sikka Ports & Terminals Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility For Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls system with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D T S & Associates LLP**
Chartered Accountants
(Registration No. 142412W/W100595)

Ashish G. Mistry
Partner
Membership No. 132639
UDIN: 21132639AAAABK2501

Place: Mumbai
Date: 14th May, 2021

Standalone Balance Sheet as at 31st March 2021

(Rs. in crore)

	Notes	As at 31st March 2021	As at 31st March 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	**2 623.31**	3 098.31
Capital Work-in-Progress	1	**534.87**	326.32
Intangible Assets	1	**0.16**	0.20
Financial Assets			
Investments	2	**7 450.75**	1 025.96
Loans	3	**20 000.02**	576.83
Other Financial Assets	4	**0.67**	0.66
Deferred Tax Assets (Net)	5	**-**	63.43
Other Non-Current Assets	6	**482.40**	1 080.63
Total Non-Current Assets		**31 092.18**	6 172.34
Current Assets			
Inventories	7	**247.35**	250.22
Financial Assets			
Investments	8	**5 953.03**	5 345.47
Trade Receivables	9	**162.27**	295.98
Cash and Cash Equivalents	10	**367.99**	476.33
Other Bank Balances	11	**2.01**	6.38
Loans	12	**2 523.86**	23 169.29
Other Financial Assets	13	**73.63**	1 033.70
Other Current Assets	15	**220.59**	259.51
Total Current Assets		**9 550.73**	30 836.88
Total Assets		**40 642.91**	37 009.22
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	16	**275.00**	275.00
Other Equity	17	**16 825.11**	15 404.89
Total Equity		**17 100.11**	15 679.89
Liabilities			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	18	**14 765.28**	17 929.89
Other Financial Liabilities	19	**1 242.20**	1 667.68
Deferred Tax Liabilities (Net)	5	**347.04**	-
Other Non - Current Liabilities	20	**415.31**	466.34
Total Non - Current Liabilities		**16 769.83**	20 063.91
Current Liabilities			
Financial Liabilities			
Borrowings	21	**498.76**	-
Trade Payables dues of			
- Micro and Small Enterprise	22	**1.08**	3.88
- Other than Micro and Small Enterprise	22	**96.44**	101.99
Other Financial Liabilities	23	**6 075.84**	1 068.21
Other Current liabilities	24	**100.83**	91.34
Provisions	25	**0.02**	-
Total Current Liabilities		**6 772.97**	1 265.42
Total Liabilities		**23 542.80**	21 329.33
Total Equity and Liabilities		**40 642.91**	37 009.22
Significant Accounting Policies			
See accompanying Notes to Standalone Financial Statements	1-42		

As per our Report of even date
For D T S & Associates LLP
Chartered Accountants
(Registration No.142412W / W100595)

Ashish G. Mistry
Partner
Membership No. 132639

Date : 14th May, 2021

For and on behalf of the Board

Sanjeev Dandekar Director	**Y B Prasad** Director	**Geeta Fulwadaya** Director	**Natarajan T G** Director
S. Anantharaman Director	**M Sundar** Manager	**Ritesh Shiyal** Chief Financial Officer	**Mohana V** Company Secretary

Standalone Statement of Profit and Loss for the year ended 31st March 2021

(Rs. in crore)

Income	Notes	**2020-21**	2019-20
Revenue from Operations	26	**3 635.32**	4 005.45
Other Income	27	**2 666.98**	2 198.92
Total Income		**6 302.30**	6 204.37
Expenses			
Cost of Goods Sold		**0.02**	0.10
Employee Benefits Expense	28	**31.24**	32.27
Finance Costs	29	**2 665.66**	1 366.74
Depreciation and Amortisation Expense	30	**503.45**	621.58
Other Expenses	31	**867.58**	3 591.36
Total Expenses		**4 067.95**	5 612.05
Profit Before Tax		**2 234.35**	592.32
Tax Expense			
Current Tax	14	**896.30**	236.00
Deferred Tax	14	**286.48**	917.72
Profit / (Loss) for the Year		**1 051.57**	(561.40)
Other Comprehensive Income			
A (i) Item that will not be reclassified to Statement of Profit and Loss		**0.02**	(0.12)
(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss		**(0.01)**	0.03
B (i) Item that will be reclassified to Statement of Profit and Loss - Cash Flow Hedge		**492.62**	(855.92)
(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss		**(123.98)**	215.42
Total Other Comprehensive Income / (Loss) for the year (Net of Tax)		**368.65**	(640.59)
Total Comprehensive Income / (Loss) for the Year		**1 420.22**	(1 201.99)
Earnings Per Equity Share of face value of Re. 1 each			
Basic and Diluted (In Rs.)	32	**3.82**	(2.05)
Significant Accounting Policies			
See accompanying Notes to Standalone Financial Statements	1-42		

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M Sundar Manager
Ritesh Shiyal Chief Financial Officer
Mohana V Company Secretary

Standalone Statement of Changes in Equity for the year ended 31st March 2021

A. Equity Share Capital (Rs. in crore)

Balance at the beginning of the reporting period i.e. 1st April, 2019	Changes in equity share capital during the year 2019-20	Balance at the end of the previous reporting period i.e. 31st March 2020	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period i.e. 31st March 2021
275.00	-	275.00	-	275.00

B. Other Equity (Rs. in crore)

	Reserve and Surplus					Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Debenture Redemption Reserve	Retained Earnings	Cashflow Hedge Reserve	Defined Benefit Plans	
As on 31st March, 2020								
Balance at the beginning of the previous reporting period i.e. 1st April, 2019	**705.75**	**4.41**	**20 163.06**	**1 439.50**	**(5 508.13)**	**(197.23)**	**(0.48)**	**16 606.88**
Total Comprehensive Income for the year	-	-	-	-	(561.40)	(640.50)	(0.09)	**(1 201.99)**
Transfer to / (from) retained earnings	-	-	-	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2020	**705.75**	**4.41**	**20 163.06**	**1 439.50**	**(6 069.53)**	**(837.73)**	**(0.57)**	**15 404.89**
As on 31st March, 2021								
Balance at the beginning of the reporting period i.e. 1st April, 2020	**705.75**	**4.41**	**20 163.06**	**1 439.50**	**(6 069.53)**	**(837.73)**	**(0.57)**	**15 404.89**
Total Comprehensive Income for the year	-	-	-	-	1 051.57	368.64	0.01	**1 420.22**
Transfer to / (from) retained earnings	-	-	-	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2021	**705.75**	**4.41**	**20 163.06**	**1 439.50**	**(5 017.96)**	**(469.09)**	**(0.56)**	**16 825.11**

As per our Report of even date
For D T S & Associates LLP
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Ashish G. Mistry
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For and on behalf of the Board

Sanjeev Dandekar Director
Y B Prasad Director
Geeta Fulwadaya Director
Natarajan T G Director

S. Anantharaman Director
M Sundar Manager
Ritesh Shiyal Chief Financial Officer
Mohana V Company Secretary

Standalone Cash Flow Statement for the year ended 31st March 2021

(Rs. in crore)

			2020-21		2019-20
A:	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Net Profit / (Loss) Before Tax as per Statement of Profit and Loss		**2 234.35**		592.32
	Adjusted for:				
	Depreciation and Amortisation Expense	**503.45**		621.58	
	(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net)	**0.03**		0.03	
	Net Gain on Financial Assets	**(225.51)**		(567.43)	
	Finance Costs	**2 665.66**		1 366.74	
	Effect of Exchange Rate Change	**7.80**		(1.83)	
	Loan written off	**3.00**		1,018.53	
	Bad debts write off	**1.77**		1,455.66	
	Changes in Fair Value of Financial Assets (net)	**18.96**		262.83	
	Interest Income	**(2 271.61)**		(1 399.34)	
			703.55		2 756.77
	Operating Profit before Working Capital Changes		**2 937.90**		3 349.09
	Adjusted for:				
	Trade and Other Receivables	**168.69**		62.88	
	Inventories	**2.88**		11.30	
	Trade and Other Payables	**(49.25)**		(112.43)	
			122.32		(38.25)
	Cash Generated from Operations		**3 060.22**		3 310.84
	Taxes Paid (net)		**(295.45)**		(342.12)
	Net Cash flow from Operating Activities*		**2 764.77**		2 968.72
B:	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Property, Plant and Equipment / Capital Work in Progress	**(315.92)**		(180.78)	
	Change in Loans and Advances (net)	**1 220.33**		(19 471.55)	
	Purchase of Investments in Associate	**(5 000.00)**		-	
	Purchases of Investments in Jointly Controlled Entity (net)	**(2.95)**		(1 261.75)	
	Purchase of Other Investments	**(24 212.71)**		(36 668.29)	
	Proceeds from Sale of Investments in subsidiary (Re. 1)	**-**		0.00	
	Proceeds from Sale of Other Investments	**22 364.05**		52 220.38	
	Fixed Deposits redeemed / (placed) with Bank (net)	**4.37**		-	
	Interest Income	**3 220.86**		520.25	
	Net Cash flow used in Investing Activities		**(2 721.97)**		(4 841.74)

Standalone Cash Flow Statement for the year ended 31st March 2021 (Contd.)

C: CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from Borrowing - Non Current	**2 768.80**		3 500.00	
Proceeds from Borrowing - Current	**6 477.35**		-	
Repayment of Borrowings - Non Current (including premium)	**(1 880.00)**		-	
Repayment of Borrowings - Current	**(6 000.00)**		-	
Interest and Finance Charges Paid	**(1 515.00)**		(1 174.68)	
Payment of Lease Liabilities	**(2.29)**		(4.65)	
Net Cash flow (used in) / from Financing Activities		**(151.14)**		2 320.67
Net Increase / (Decrease) in Cash and Cash Equivalents		**(108.34)**		447.65
Opening Balance of Cash and Cash Equivalents		**476.33**		28.68
Closing Balance of Cash and Cash Equivalents (refer Note 10)		**367.99**		476.33

* includes amount spent in cash towards Corporate Social Responsibility is Rs. 30.23 crore (Previous Year Rs. 33.85 crore) (refer Note 31.2)

Change in Liability arising from Financing Activities (Rs. in crore)

	1st April 2020	**Cash flow (net)**	**Non Cash Flow Changes**	**31st March 2021**
Borrowings Non-Current Liabilities (refer Note 18)	17 929.89	888.80	974.71	19 793.41
Borrowings Current Liabilities (refer Note 21)	-	477.35	21.41	498.76

(Rs. in crore)

	1st April 2019	**Cash flow (net)**	**Non Cash Flow Changes**	**31st March 2020**
Borrowings Non-Current Liabilities (refer Note 18)	14 303.93	3 500.00	125.96	17 929.89

Notes:

1) Figures in brackets represents cash outflows.
2) Previous year figures have been regrouped, reclassified and rearranged wherever necessary.
3) The above statement of cash flow has been prepared under the “Indirect Method” as set out in Ind AS 7 on Statement of Cash Flow.

As per our Report of even date
For D T S & Associates LLP
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(Registration No.142412W / W100595)

Ashish G. Mistry
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Membership No. 132639

Date : 14th May, 2021

For and on behalf of the Board

Sanjeev Dandekar — Director
Y B Prasad — Director
Geeta Fulwadaya — Director
Natarajan T G — Director

S. Anantharaman — Director
M Sundar — Manager
Ritesh Shiyal — Chief Financial Officer
Mohana V — Company Secretary

Notes to Standalone Financial Statements for the year ended 31st March 2021

A. CORPORATE INFORMATION

Sikka Ports & Terminals Limited ("the Company") is an entity incorporated in India. The debentures issued by the Company are listed on BSE Ltd on the Wholesale Debt Market Segment.

The address of Registered Office is Admin Building, MTF Area, Village Sikka, Taluka & District Jamnagar – 361 140, Gujarat.

The Company is engaged in the business of providing Port Infrastructure Facilities, Equipment Hiring, Construction and Engineering Services, Provision of Infrastructure Facilities as Co-Developer in Special Economic Zone (SEZ) and Holding of Investments.

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 Basis of Preparation and Presentation

The Financial Statements have been prepared on a historical cost basis, except for property, plant and equipment to the extent stated at deemed cost as per Ind AS-101 and certain financial assets and liabilities, which are measured at fair value / amortised cost.

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company's Financial Statements are presented in Indian Rupees (Rs.), which is also its functional currency and all values are stated in rupees crore upto two decimal places, except when otherwise indicated.

B.2 Summary of Significant Accounting Policies

(a) Property, Plant and Equipment :

Property, Plant and Equipment are stated at cost / deemed cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Depreciation on property, plant and equipment is provided to the extent of depreciable amount using Written Down Value Method (WDV) except as stated otherwise.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II;

Particulars	Depreciation/Amortisation
Leasehold Land	Over the period of Lease
Plant and Machinery and Jetties	Over the Useful Life of 10-24 years as technically assessed
Building constructed on leasehold land	Over the period of Lease or Useful life whichever is lower
Vehicles held under contractual arrangements	Over the period of contracts/arrangements

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

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss in the period of derecognition.

In case of jetties, the cumulative amortization for the original cost incurred at the end of any financial year is, the higher of cumulative depreciation provided as per Depreciation / Amortisation policy stated as above or cumulative rebate availed by the Company from Gujarat Maritime Board. Moreover depreciation / amortisation is provided upto the end of the specified period as mentioned above, and residual value is amortised in the year following the year in which such specified period is ended.

(b) Finance Costs :

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an

Notes to Standalone Financial Statements for the year ended 31st March 2021

adjustment to the interest cost. 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.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

(c) **Inventories :**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including incidental expenses net of recoverable taxes and duties incurred in bringing them to their respective present location and condition.

Cost of inventories viz. stores and spares, trading and other items are determined on weighted average basis.

(d) **Cash and cash equivalents :**

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any as they are considered an integral part of the Company's cash management.

(e) **Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets :**

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

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

(f) **Leases :**

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

(g) **Provisions :**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

Notes to Standalone Financial Statements for the year ended 31st March 2021

(h) **Intangible Assets :**

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets. Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised under straight line method over the period of useful lives.

(i) **Employee Benefits Expense :**

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective IT authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income. Remeasurements are not re-classified to Statement of Profit and Loss in subsequent periods

(j) **Tax Expenses :**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income and equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

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

(k) **Foreign Currencies Transactions and Translation :**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured

Notes to Standalone Financial Statements for the year ended 31st March 2021

at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e.,translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit or Loss are also recognised in OCI or Statement of Profit or Loss, respectively).

(l) **Revenue Recognition :**

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from the sale of goods is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

Contract Balances:

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract Liabilities

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

Interest Income:

Interest Income from a financial asset is recognised using effective interest rate method.

(m) **Earnings per share :**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

(n) **Current and non-current classification :**

The Company presents assets and liabilities in Balance Sheet based on current and non-current classification.

An asset is treated as current when it is

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when

a) It is expected to be settled in normal operating cycle,

b) It is held primarily for the purpose of trading,

c) It is due to be settled within twelve months after the reporting period, or

Notes to Standalone Financial Statements for the year ended 31st March 2021

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its normal operating cycle. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(o) **Off-setting financial Instrument :**

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

(p) **Financial instruments :**

I. Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

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

b) Financial assets at fair value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Investment in Subsidiaries, Associates and Joint Venture / Jointly Controlled Entity

Investments in subsidiaries, associates and joint venture / jointly controlled entity are measured at FVTPL, except for those investments which the Company has elected to account for at Cost or at FVTOCI.

D. Other Equity Investments:

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

E. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables, Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio

Notes to Standalone Financial Statements for the year ended 31st March 2021

of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

II. Financial Liabilities

A. Initial recognition and measurement

Financial liabilities are recognized at fair value / amortised cost and in case of borrowings, net of directly attributable cost

B. Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the reporting date, the carrying amounts approximate fair value due to the short maturity of these instruments.

III. Derivative financial instruments and Hedge Accounting

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards and options to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

a. Cash flow hedge

The Company designates derivative contracts as cash flow hedges to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in Other Comprehensive Income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur,then the amount accumulated in cash flow hedging reserve is reclassified to the Statement of Profit and Loss.

b. Fair Value Hedge

The Company designates derivative contracts or non derivative financial assets/liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates and foreign exchange rates.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest rate method is used is amortised to Statement of Profit and Loss over the period of maturity.

IV. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Notes to Standalone Financial Statements for the year ended 31st March 2021

(q) **Recent Accounting Pronouncements**

Proposed amendments to Schedule III

The Company is evaluating the effects of the amendments to Schedule III of the Companies Act, 2013 as notified by Ministry of Corporate Affairs (MCA) on 24th March 2021 which is effective from April 1, 2021 on disclosures to be made in financial statements of the forthcoming financial years.

C Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Depreciation/amortisation and useful lives of Property Plant and Equipment / Intangible Assets

Property, plant and equipment are depreciated/amortised over the estimated useful lives, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is revised if there are significant changes from previous estimates.

b. Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c. Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

d. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

e. Impairment of financial assets

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

f. Recognition Of Deferred Tax Assets And Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments

g. Fair Value Measurement

For estimates relating to fair value of financial instruments refer note 38 of financial statements.

Notes to Standalone Financial Statements for the year ended 31st March 2021

1. Property, Plant And Equipment, Capital Work-In-Progress And Intangible Assets (Rs. in crore)

Description	Gross Block				Depreciation				Net Block	
	As at 01.04.2020	Additions/ Adjustments	Deductions / Adjustments	**As at 31.03.2021**	As at 01.04.2020	For the year	Deductions / Adjustments	**As at 31.03.2021**	**As at 31.03.2021**	As at 31.03.2020
Property, Plant and Equipment										
Own Assets :										
Land	333.08	-	-	**333.08**	-	-	-	-	**333.08**	333.08
Buildings	99.66	-	-	**99.66**	45.90	5.53	-	**51.43**	**48.23**	53.76
Plant and Machinery	3 438.65	1.30	-	**3 439.95**	2 323.32	205.69	-	**2 529.01**	**910.94**	1 115.33
Office Equipments	28.21	21.80	-	**50.01**	8.13	13.74	-	**21.87**	**28.14**	20.08
Furniture and Fixtures	86.77	3.67	-	**90.44**	65.18	7.88	-	**73.06**	**17.38**	21.59
Vehicles	4.82	1.67	1.85	**4.64**	4.16	0.26	1.82	**2.60**	**2.04**	0.66
Jetties (refer Note 1.1)	4 298.60	-	-	**4 298.60**	2 749.24	267.83	-	**3 017.07**	**1 281.53**	1 549.36
Right-of-Use Assets :										
Land	5.76	-	-	**5.76**	3.73	0.29	-	**4.02**	**1.74**	2.03
Assets subject to Operating Lease	7.16	-	-	**7.16**	4.74	2.19	-	**6.93**	**0.23**	2.42
Total (A)	**8 302.71**	**28.44**	**1.85**	**8 329.30**	**5 204.40**	**503.41**	**1.82**	**5 705.99**	**2 623.31**	3 098.31
Intangible Assets										
Computer Software*	1.76	-	-	**1.76**	1.56	0.04	-	**1.60**	**0.16**	0.20
Total (B)	**1.76**	-	-	**1.76**	**1.56**	**0.04**	-	**1.60**	**0.16**	0.20
Total (A) + (B)	**8 304.47**	**28.44**	**1.85**	**8 331.06**	**5 205.96**	**503.45**	**1.82**	**5 707.59**	**2 623.47**	3 098.51
Previous Year	**8 273.23**	**31.27**	**0.03**	**8 304.47**	**4 584.38**	**621.58**	-	**5 205.96**	**3 098.51**	
Capital Work-in-Progress									**534.87**	326.32

* other than internally generated

1.1 The ownership of the Jetties vests with Gujarat Maritime Board (GMB). However, under the agreements with GMB, the Company has been permitted to use the same.

1.2 Capital Work-in-Progress includes Rs. 80.01 crore (Previous Year Rs. 35.06 crore) on account of cost of construction material at site.

1.3 Capital Work-in-Progress also includes Rs. 5.22 crore (Previous Year Rs. 3.84 crore) on account of interest and Rs. 0.26 crore (Previous Year Rs. 1.13 crore) on account of exchange fluctuation capitalised during the year respectively.

1.4 Buildings includes cost of shares in Co-operative Housing Societies of Rs. 1000 (Previous Year Rs. 1000).

1.5 For assets hypothecated/mortgaged as security - refer Note 18.

Notes to Standalone Financial Statements for the year ended 31st March 2021

(Rs. in crore)

Particulars	As at 31st March 2021 Shares / Units	As at 31st March 2021 Amount	As at 31st March 2020 Shares / Units	As at 31st March 2020 Amount
2. Non-Current Investments				
A. Investments measured at Fair Value through Profit and Loss				
In Preference Shares of Others				
Unquoted, Fully Paid Up				
9% Non-Cumulative Redeemable Preference Shares of East West Pipeline Private Limited (formerly East West Pipeline Limited) of Rs. 10 each (Re. 1)	**50 00 00 000**	**0.00**	50 00 00 000	0.00
		0.00		0.00
In Debentures of Others				
Unquoted, Fully Paid Up				
Zero Coupon Optionally Fully Convertible Debentures of Tiara Comtrade Private Limited of Rs. 100 each (Re. 1)	**99 75 000**	**0.00**	99 75 000	26.06
Zero Coupon Optionally Fully Convertible Debentures of Xanti Commercial Private Limited of Rs. 100 each (Re. 1)	**3 02 10 000**	**0.00**	3 02 10 000	78.94
		0.00		105.00
In Limited Liability Partnership (LLP)				
Akshaj Enterprises LLP [Rs. 33,000 (Previous Year Rs. 33,000)]		**0.00**		0.00
		0.00		0.00
Investments in Units of Fixed Maturity Plan				
Quoted, Fully Paid Up		-		920.21
Total of Investments measured at Fair Value through Profit and Loss		**0.00**		1 025.21
B. Investments measured at Cost				
In Associate				
Redeemable Preference Shares of Jamnagar Utilities & Power Private Limited of Rs. 100 each	**50 00 00 000**	**5 000.00**	-	-
In Jointly Controlled Entity				
Other Investment				
Amritkalash Commercial LLP		**0.75**		0.75
Total of Investment measured at Cost		**5 000.75**		0.75
C. Investments measured at Fair Value through Other Comprehensive Income				
Investments in Units of Infrastructure Investment Trusts-Unquoted				
Digital Fibre Infrastructure Trust of Rs. 100 each	**24 50 00 000**	**2 450.00**	-	-
Total of Investments measured at Fair Value through Other Comprehensive Income		**2 450.00**		-
Total Non-Current Investments		**7 450.75**		1 025.96
Aggregate amount of quoted investments		-		920.21
Market Value of quoted investments		-		920.21
Aggregate amount of unquoted investments		**7 450.75**		105.75

Notes to Standalone Financial Statements for the year ended 31st March 2021

2.1 Category-wise Non-Current Investment

Financial assets measured at Fair Value through Profit and Loss	**0.00**	1 025.21
Financial assets measured at Cost	**5 000.75**	0.75
Financial assets measured at Fair Value through Other Comprehensive Income	**2 450.00**	-
	7 450.75	1 025.96

2.2 Investment in Jointly Controlled Entity alongwith proportion of ownership held and country of incorporation is given below :

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest
Amritkalash Commercial LLP	India	75.00%
Drishtimohan Commercial LLP*	India	50.00%
Vaijayanti Commercial LLP*	India	50.00%

* Drishtimohan Commercial LLP and Vaijayanti Commercial LLP are incorporated as Jointly Controlled Entities of the Company on 17.03.2021 and 30.03.2021 respectively. However, no financial transactions with these entities were entered into by the Company during FY 2020-21.

(Rs. in crore)

3. Loans - Non Current Assets *(Unsecured and Considered Good)*	**As at 31st March 2021**	As at 31st March 2020
Loans and Advances to Other Bodies Corporate and Others	**20 000.00**	576.82
Loans and Advances to employees	**0.02**	0.01
Total	**20 000.02**	576.83

(Rs. in crore)

4. Other Non-Current - Financial Assets	**As at 31st March 2021**	As at 31st March 2020
Deposits	**0.67**	0.66
Total	**0.67**	0.66

(Rs. in crore)

5 Deferred Tax Assets (Net) **The movement on the deferred tax account is as follows:**	**As at 31st March 2021**	As at 31st March 2020
At the start of the year	**(63.43)**	(765.70)
Charge / (credit) to Statement of Profit and Loss (refer Note 14)	**286.48**	917.72
Charge / (credit) to Other Comprehensive Income	**123.99**	(215.45)
At the end of year	**347.04**	(63.43)

Notes to Standalone Financial Statements for the year ended 31st March 2021

Component of Deferred tax (Assets) / Liabilities (Net)

	As at 31st March 2020	Charge / (credit) to Statement of Profit and Loss	Charge / (credit) to Other Comprehensive Income	As at 31st March 2021
Deferred tax (Assets) / Liabilities (Net) in relation to:				
Property, Plant and Equipment	460.42	(80.76)	-	**379.66**
Financial Instruments	(359.09)	319.86	123.98	**84.75**
Brought Forward Losses	(35.58)	35.58	-	-
Other Liabilities	(129.18)	11.81	-	**(117.37)**
Provisions	-	(0.01)	0.01	-
Total	(63.43)	286.48	123.99	**347.04**

(Rs. in crore)

6.	Other Non - Current Assets	As at 31st March 2021	As at 31st March 2020
	(Unsecured and Considered Good)		
	Capital Advances	**8.37**	5.75
	Advance Income Tax (Net of Provision) (Refer Note 6.1)	**474.03**	1 074.88
	Total	**482.40**	1 080.63

(Rs. in crore)

6.1	Advance Income Tax (Net of Provision)	As at 31st March 2021	As at 31st March 2020
	At beginning of the year	**1 074.88**	968.76
	Charge for the year	**(896.30)**	(236.00)
	Tax paid (net) during the year	**295.45**	342.12
	At the end of the year	**474.03**	1 074.88

(Rs. in crore)

7.	Inventories	As at 31st March 2021	As at 31st March 2020
	Construction Materials, Stores, Spares and Consumables	**247.35**	250.22
	Total	**247.35**	250.22

Notes to Standalone Financial Statements for the year ended 31st March 2021

(Rs. in crore)

	Particulars	As at 31st March 2021	As at 31st March 2020
8.	**Current Investments**		
A	**Investments measured at Fair Value through Profit and Loss**		
	Investments in Units of Fixed Maturity Plan		
	Quoted, Fully Paid Up	**989.48**	-
	Investment In Mutual Fund		
	Unquoted	**3 699.60**	4 084.47
	Total of Investments measured at Fair Value through Profit and Loss	**4 689.08**	4 084.47
B.	**Investments measured at Cost**		
	In Limited Liability Partnership (LLP)		
	In Jointly Controlled Entity		
	Amritkalash Commercial LLP	**1 263.95**	1 261.00
	Total of Investment measured at Cost	**1 263.95**	1 261.00
	Total Current Investments	**5 953.03**	5 345.47
	Aggregate amount of quoted investments	**989.48**	-
	Market Value of quoted investments	**989.48**	-
	Aggregate amount of unquoted investments	**4 963.55**	5 345.47
8.1	**Category-wise Current Investment**		
	Financial Assets measured at Fair Value through Profit and Loss	**4 689.08**	4 084.47
	Financial Assets measured at Cost	**1 263.95**	1 261.00
	Total Current Investments	**5 953.03**	5 345.47

(Rs. in crore)

		As at 31st March 2021	As at 31st March 2020
9.	**Trade Receivables** *(Unsecured and Considered Good)*		
	Trade receivables	**162.27**	295.98
	Total	**162.27**	295.98

Notes to Standalone Financial Statements for the year ended 31st March 2021

(Rs. in crore)

			As at 31st March 2021	As at 31st March 2020
10.	**Cash and Cash Equivalents**			
	Balances with Banks		**364.98**	476.32
	Cheques in hand		**3.00**	-
	Cash on hand		**0.01**	0.01
	Cash and cash equivalents as per balance sheet		**367.99**	476.33
	Cash and cash equivalents as per Cash Flow Statement		**367.99**	476.33

(Rs. in crore)

			As at 31st March 2021	As at 31st March 2020
11.	**Other Bank Balances**			
	Fixed deposits with banks*		**2.01**	6.38
	Total		**2.01**	6.38

* includes Rs. 1.89 crore (Previous Year Rs. 6.38 crore) under lien.

(Rs. in crore)

			As at 31st March 2021	As at 31st March 2020
12.	**Loans - Current Assets** *(Unsecured and Considered Good)*			
	Loans and Advances to Related Party		**307.94**	220.43
	Loans and Advances to Other Bodies Corporate and Others		**2 215.78**	22 948.82
	Loans and Advances to employees		**0.14**	0.04
	(Unsecured and Considered Doubtful)			
	Loans and Advances to Other Bodies Corporate	**1.90**		
	Less: Provision for doubtful Loans & Advances	**(1.90)**	-	-
	Total		**2 523.86**	23 169.29

(Rs. in crore)

		As at 31st March 2021	As at 31st March 2020
13.	**Other Financial Assets - Current**		
	Contract Receivables	**9.22**	14.78
	Interest receivables	**28.42**	978.84
	Less: Provision for doubtful interest receivables	**(1.10)**	-
		27.32	978.84
	Deposits	**37.09**	40.08
	Total	**73.63**	1 033.70

Notes to Standalone Financial Statements for the year ended 31st March 2021

(Rs. in crore)

14. Taxation	As at 31st March 2021	As at 31st March 2020
Income tax recognised in Statement of Profit and Loss		
Current Tax (net of Income tax for earlier years)	**896.30**	236.00
Deferred tax	**286.48**	917.72
Total income tax expenses recognised in the current year	**1 182.78**	1 153.72

The income tax expenses for the year can be reconciled to the accounting profit as follows:

(Rs. in crore)

	As at 31st March 2021	As at 31st March 2020
Profit before tax	**2 234.35**	592.32
Applicable Tax Rate	**25.1680%**	34.9440%
Computed Tax Expense	**562.34**	206.98
Tax effect of :		
Expenses disallowed	**429.53**	725.94
Fair Value Changes	**4.78**	91.84
Other allowances	**(100.35)**	(788.76)
Current Tax Provision (A)	**896.30**	236.00
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	**80.76**	297.85
Incremental / (Reversal) of Deferred Tax Asset / Liability on account of Financial Assets and Other Items	**205.72**	619.87
Deferred tax Provision (B)	**286.48**	917.72
Tax Expenses recognised in Statement of Profit and Loss (A+B)	**1 182.78**	1 153.72
Effective Tax Rate	**52.94%**	194.78%

(Rs. in crore)

15. Other Current Assets	As at 31st March 2021	As at 31st March 2020
Balance with Government Authorities etc.	**7.40**	1.20
Deposits	**101.00**	101.00
Others*	**112.19**	157.31
Total	**220.59**	259.51

* includes prepaid expenses, advance to vendors, Goods & Service Tax and VAT refundable etc.

Notes to Standalone Financial Statements for the year ended 31st March 2021

(Rs. in crore)

16. Equity Share Capital	As at 31st March 2021		As at 31st March 2020	
Authorised Share Capital	**No. of Shares**	**Amount**	No. of Shares	Amount
Equity Shares of Re. 1 each	**5000 00 00 000**	**5 000.00**	5000 00 00 000	5 000.00
Preference Shares of Rs. 10 each	**250 00 00 000**	**2 500.00**	250 00 00 000	2 500.00
Total		**7 500.00**		7 500.00
Issued, Subscribed and Paid up Share Capital :				
Equity Shares of Re. 1 each fully paid up	**275 00 00 000**	**275.00**	275 00 00 000	275.00
Total		**275.00**		275.00

16.1 The details of shareholders holding more than 5% shares :

Name of the Shareholder	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	**% held**	No. of Shares	% held
Equity Shares :				
Reliance Industries Holding Private Limited (Holding Company along with nominees)	**275 00 00 000**	**100.00**	275 00 00 000	100.00

16.2 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March 2021 No. of Shares	As at 31st March 2020 No. of Shares
Equity Shares :		
Equity Shares at the beginning of the year	**275 00 00 000**	275 00 00 000
Equity Shares at the end of the year	**275 00 00 000**	275 00 00 000

16.3 Rights and Restrictions to Equity Shares

The Equity Shares of the Company, rank pari passu in all respects including voting rights and entitlement to dividend. The holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to Standalone Financial Statements for the year ended 31st March 2021

(Rs. in crore)

17. Other Equity	**As at 31st March 2021**	As at 31st March 2020
Capital Reserve		
As per last Balance Sheet	**705.75**	705.75
Capital Redemption Reserve		
As per last Balance Sheet	**4.41**	4.41
Securities Premium		
As per last Balance Sheet	**20 163.06**	20 163.06
Debenture Redemption Reserve		
As per last Balance Sheet	**1 439.50**	1 439.50
Retained Earnings		
As per last Balance Sheet	**(6 069.53)**	(5 508.13)
Profit / (Loss) for the year	**1 051.57**	(561.40)
	(5 017.96)	(6 069.53)
Other Comprehensive Income (OCI)		
As per last Balance Sheet	**(838.30)**	(197.71)
Movement in OCI (Net) during the year	**368.65**	(640.59)
	(469.65)	(838.30)
Total	**16 825.11**	15 404.89

17.1 Nature and Purpose of Reserve :

(a) Capital Reserve (CR) is created pursuant to various Schemes of Amalgamations and / or Arrangements in current / earlier years. The CR will be utilised in accordance with the provisions of the Companies Act, 2013.

(b) Capital Redemption Reserve (CRR) was created by erstwhile Reliance Property Management Services Private Limited (amalgamated with the Company) against redemption of shares. The CRR will be utilised in accordance with the provisions of the Companies Act, 2013.

(c) Securities Premium (SP) represents aggregate of :-(i) amount received in excess of face value of shares issued by the Company including in respect of redeemable preference shares to the extent not recognised as borrowings (ii) amount adjusted pursuant to provisions of various Schemes of Amalgamations and / or Arrangements in earlier years. The balance lying in SP will be utilised in accordance with the provisions of the Companies Act, 2013.

(d) Debenture Redemption Reserve (DRR) is created pursuant to requirement of Companies Act, 2013 and rules framed thereunder till 31st March 2019. Balance available in DRR will be transferred to retained earnings / general reserve upon redemption of debentures issued by the Company from time to time.

17.2 In terms of the Companies (Share Capital and Debentures) Amendment, Rules 2019, Debenture Redemption Reserve (DRR) is not required to be created in the case of privately placed Debentures by listed companies. Accordingly, no amount is transferred to DRR during the financial year 2020-21. Balance in DRR already created till 31st March 2019 amounting to Rs. 1,439.50 crore remains unchanged.

Notes to Standalone Financial Statements for the year ended 31st March 2021

(Rs. in crore)

18. Borrowings	As at 31st March 2021		As at 31st March 2020	
Secured - At amortised cost*	**Non-Current**	**Current**	Non-Current	Current
Non Convertible Debentures	**13 476.88**	**2 500.00**	13 973.99	-
Term loan	**721.50**	**28.13**	-	-
Unsecured - At amortised cost				
Non Convertible Debentures	-	**2 500.00**	2 500.00	-
Non-Cumulative Redeemable Preference shares (refer Note 18.1)	**529.30**	-	1 437.10	-
Cumulative Redeemable Preference shares (refer Note 18.2)	**37.60**	-	18.80	-
Total	**14 765.28**	**5 028.13**	17 929.89	-

* includes Rs. 23.49 crore (Previous Year : Rs. 26.01 crore) as prepaid finance charges.

18.1 Non-Cumulative Redeemable Preference Shares represents the net present value of 10% Non-Cumulative Redeemable Preference Shares (Series 1 to 2) (RPS) being 94,00,000 shares of face value of Rs. 10/- each redeemable on 31st December, 2026 (Redemption Date) at a price of Rs. 1,000/- each including premium of Rs. 990/- per share aggregating to Rs. 940.00 crore comprising of face value of Rs. 9.40 crore and redemption premium of Rs. 930.60 crore. The Company has an option to redeem the outstanding RPS at any time prior to Redemption Date by giving 3 days prior notice to the holders of RPS. The RPS will carry a preferential right over the Equity Shares of the Company as regards payment of dividend and as regards repayment of capital in the event of winding up. The RPS carry voting rights prescribed under the provisions of the Companies Act, 2013.

The details of Shareholders holding more than 5% shares :

Name of the Shareholders	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	% held	No. of Shares	% held
Reliance Industries Holding Private Limited (Holding Company)	**38 00 000**	**40.43%**	1 14 00 000	40.43%
Kankhal Trading LLP (entity over which Holding Company is having control)	**56 00 000**	**59.57%**	1 68 00 000	59.57%

The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March 2021 No. of Shares	As at 31st March 2020 No. of Shares
RPS at the beginning of the year	**2 82 00 000**	2 82 00 000
RPS redeemed during the year	**1 88 00 000**	-
RPS at the end of the year	**94 00 000**	2 82 00 000

18.2 3,76,00,000 9% Cumulative Redeemable Preference Shares (Series I to IV) (CRPS) of face value of Rs. 10/- each fully paid up shall be redeemed at Rs. 10/- per share at any time, at the option of the Company, but not later than 14th October, 2025. The redemption shall be made in accordance with the applicable provisions of the Companies Act, 2013 and Articles of Association of the Company. The CRPS carry a preferential right vis-à-vis equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up. The CRPS are non-participating in the surplus funds/ surplus assets and profits, on winding up which may remain after the entire capital has been repaid. The CRPS carry voting rights prescribed under the provisions of the Companies Act, 2013.

Notes to Standalone Financial Statements for the year ended 31st March 2021

The details of Shareholders holding more than 5% shares :

Name of the Shareholders	**As at 31st March 2021**		As at 31st March 2020	
	No. of Shares	**% held**	No. of Shares	% held
Reliance Industries Holding Private Limited (Holding Company)	**3 76 00 000**	**100.00%**	1 88 00 000	100.00%

The reconciliation of the number of shares outstanding is set out below :

Particulars	**As at 31st March 2021**	As at 31st March 2020
	No. of Shares	No. of Shares
CRPS at the beginning of the year	**1 88 00 000**	1 88 00 000
CRPS issued during the year	**1 88 00 000**	-
CRPS at the end of the year	**3 76 00 000**	1 88 00 000

18.3 7.90% Secured Redeemable Non Convertible Debentures- PPD 7 aggregating Rs. 2,000.00 crore (Previous Year Rs. 2,000.00 crore) are redeemable at par on November 18, 2026. These Non Convertible Debentures are secured by;

(a) a pari passu charge by way of hypothecation over;

i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company; and

ii) movable assets consisting of current assets (including current investments), loans & advances and investment in redeemable securities of the Company and

(b) mortgage over a building (residential flat) owned by the Company situated at Kandivali, Mumbai.

18.4 7.95% Secured Redeemable Non Convertible Debentures- PPD 6 aggregating Rs. 2,000.00 crore (Previous Year Rs. 2,000.00 crore) are redeemable at par on October 28, 2026. These Non Convertible Debentures are secured by;

(a) a pari passu charge by way of hypothecation over;

i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company;

ii) movable assets consisting of current assets (including current investments), loans & advances and investment in redeemable securities of the Company and

(b) mortgage over a building (residential flat) owned by the Company situated at Kandivali, Mumbai.

18.5 7.20% Secured Redeemable Non Convertible Debentures- PPD 11 aggregating Rs. 2,000.00 crore (Previous Year Rs. Nil) are redeemable at par on June 16, 2023. These Non Convertible Debentures are secured by;

(a) a pari passu charge by way of hypothecation over;

i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company; and

ii) movable assets consisting of current assets, (including current investments), loans & advances and identified investments of the Company; and

(b) a pari passu charge by way of mortgage on a specific immovable property of the Company.

18.6 8.45% Secured Redeemable Non Convertible Debentures- PPD 5 aggregating Rs. 4,000.00 crore (Previous Year Rs. 4,000.00 crore) are redeemable at par on June 12, 2023. These Non Convertible Debentures are secured by;

(a) a pari passu charge by way of hypothecation over;

i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company;

ii) movable assets consisting of current assets (including current investments), loans & advances and investment in redeemable securities of the Company and

(b) mortgage over a building (residential flat) owned by the Company situated at Kandivali, Mumbai.

18.7 7.65% Secured Redeemable Non Convertible Debentures- PPD 10 aggregating Rs. 3,500.00 crore (Previous Year Rs. 3,500.00 crore) are redeemable at par on March 22, 2023. These debentures are secured by;

(a) a pari passu charge by way of hypothecation over;

i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company; and

ii) movable assets consisting of current assets (including current investments), loans & advances and identified investments of the Company; and

(b) a pari passu charge by way of mortgage on a specific immovable property of the Company.

Notes to Standalone Financial Statements for the year ended 31st March 2021

18.8 10.40% Secured Redeemable Non Convertible Debentures- PPD 4 aggregating Rs. 2,500.00 crore (Previous Year Rs. 2,500.00 crore) are redeemable at par on July 18, 2021. These Non Convertible Debentures are secured by;

a pari passu charge by way of hypothecation over;

i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company;

ii) movable assets consisting of current assets (including current investments), loans & advances and investment in redeemable securities of the Company.

18.9 10.25% Unsecured Redeemable Non Convertible Debentures- PPD 9 amounting Rs. 2,500.00 crore (Previous Year Rs. 2,500.00 crore) are redeemable at par on August 21, 2021.

18.10 Secured Term Loan aggregating Rs. 750.00 crore (Previous Year Rs. Nil) is repayable between 1st July 2021 and 31st March 2026. This Term Loan is to be secured by first pari passu charge by way of hypothecation over all the movable (movable fixed assets; identified long term and short term investments, other current assets and loans & advances) assets of the Company, both present and future.

The loan carries interest @ RBI Repo rate + 3% Margin and is repayable as under;

Financial Year	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**
Rs. Crore	28.13	46.87	56.25	75.00	543.75

(Rs. in crore)

19.	**Other Financial Liabilities - Non Current**	**As at 31st March 2021**	As at 31st March 2020
	Security Deposits from Related Party (refer Note 33)	**583.66**	536.73
	Fair Value of Derivative Instruments - Payable	**654.56**	1 123.41
	Lease Liabilities	-	0.25
	Other Financial Liabilities	**3.98**	7.29
	Total	**1 242.20**	1 667.68

(Rs. in crore)

20.	**Other Non - Current Liabilities**	**As at 31st March 2021**	As at 31st March 2020
	Income received in Advance from Related Party (refer Note 33)	**415.31**	466.34
	Total	**415.31**	466.34

(Rs. in crore)

21.	**Borrowing (Current)** **Unsecured - At amortised cost**	**As at 31st March 2021**	As at 31st March 2020
	From Others		
	Commercial Paper* (refer Note 21.1)	**498.76**	**-**
	Total	**498.76**	**-**

*repayable on 26th April 2021

21.1 Maximum amount outstanding at any time during the year was Rs. 2,241.49 crore (Previous Year Rs. Nil).

Notes to Standalone Financial Statements for the year ended 31st March 2021

(Rs. in crore)

22. Trade Payables	As at 31st March 2021	As at 31st March 2020
Dues of Micro and Small Enterprises (refer Note 22.1)	**1.08**	3.88
Dues of Other than Micro and Small Enterprises	**96.44**	101.99
Total	**97.52**	105.87

22.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at 31st March 2021 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

(Rs. in crore)

Particulars	As at 31st March 2021	As at 31st March 2020
(a) the principal amount and the interest due thereon (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.	-	-

(Rs. in crore)

23. Other Financial Liabilities - Current	As at 31st March 2021	As at 31st March 2020
Current maturities of Long Term Debt (refer Note 18 for other details)	**5 028.13**	-
Interest Accrued but Not Due on Borrowings	**860.80**	747.96
Creditors for Capital Expenditure*	**57.10**	138.62
Fair Value of Derivative Instruments - Payable	**125.56**	175.15
Lease Liabilities	**0.27**	2.31
Other Financial Liabilities	**3.98**	4.17
Total	**6 075.84**	1 068.21

* includes dues of Micro and Small Enterprises of Rs. 1.28 crore (Previous Year Rs. 1.31 crore) (refer Note 22.1)

Notes to Standalone Financial Statements for the year ended 31st March 2021

(Rs. in crore)

		As at 31st March 2021	As at 31st March 2020
24.	**Other Current Liabilities**		
	Security Deposits	**0.76**	0.95
	Income received in Advance from Related Party (refer Note 33)	**51.03**	46.93
	Other Current Liabilities*	**49.04**	43.46
	Total	**100.83**	91.34

* includes statutory dues, employee related liabilities and advances from customers etc.

(Rs. in crore)

		As at 31st March 2021	As at 31st March 2020
25.	**Provisions - Current**		
	Provisions for Superannuation / Gratuity / Leave Encashment	**0.02**	-
	Total	**0.02**	-

(Rs. in crore)

		2020-21	2019-20
26.	**Revenue from Operations:**		
	Sale of Services		
	Port Infrastructure Facilities	**3 806.17**	4 017.61
	Infrastructure Facilities in SEZ	**1.49**	7.71
	Construction, Engineering and Equipment Hiring	**88.21**	262.67
		3 895.87	4 287.99
	Sale of Traded Goods	**0.02**	0.14
		3 895.89	4 288.13
	Less: GST Recovered	**260.65**	283.62
	Total Operating Revenue	**3 635.24**	4 004.51
	Other Operating Revenue	**0.08**	0.94
	Total	**3 635.32**	4 005.45

(Rs. in crore)

		2020-21	2019-20
27.	**Other Income:**		
	Interest from		
	Financial Assets carried at Amortised Cost	**2 086.58**	1 376.00
	Investments at FVTOCI	**118.61**	-
	Investments at FVTPL	-	22.80
	Others	**66.42**	0.54
		2 271.61	1 399.34
	Rent Income	**0.70**	-
		0.70	-

Notes to Standalone Financial Statements for the year ended 31st March 2021

Net Gain on Financial Assets		
Gain on Sale / Transfer of Investments (net)	**199.70**	650.28
Gain on Derivative Transactions (net)	**187.85**	143.03
	387.55	793.31
Other Non Operating Income	**7.12**	6.27
	7.12	6.27
Total	**2 666.98**	2 198.92

(Rs. in crore)

28. Employee Benefits Expense	**2020-21**	2019-20
Salaries and Wages	**25.87**	26.80
Contribution to Provident and Other Funds	**1.78**	1.75
Staff Welfare Expenses	**3.59**	3.72
Total	**31.24**	32.27

28.1 As per Indian Accounting Standard 19 “Employee Benefits”, the disclosures as defined are given below :

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

(Rs. in crore)

Particulars	**2020-21**	2019-20
Employer’s Contribution to Provident Fund	**0.83**	0.93
Employer’s Contribution to Superannuation Fund	**0.26**	0.12
Employer’s Contribution to Pension Scheme	**0.44**	0.39

The Company’s Provident Fund is exempted under Section 17 of Employees’ Provident Fund and Miscellaneous Provisions Act, 1952.

Defined Benefit Plan

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

(Rs. in crore)

	Gratuity (Funded)	
	2020-21	2019-20
Defined Benefit Obligation at beginning of the year	**4.11**	4.66
Current Service Cost	**0.31**	0.31
Interest Cost	**0.28**	0.37
Actuarial (Gain) / Loss	**(0.02)**	0.10
Benefits paid	**(0.61)**	(1.33)
Defined Benefit Obligation at year end	**4.07**	4.11

Notes to Standalone Financial Statements for the year ended 31st March 2021

II) Reconciliation of opening and closing balances of fair value of Plan Assets

(Rs. in crore)

	Gratuity (Funded)	
	2020-21	2019-20
Fair value of Plan Assets at beginning of the year	**4.94**	4.66
Expected Return on Plan Assets	**0.34**	0.37
Return on Plan Assets (Rs. 27,112)	**0.00**	(0.03)
Employer's Contribution	-	0.18
Benefits paid	-	(0.24)
Fair value of Plan Assets at year end	**5.28**	4.94

III) Reconciliation of fair value of Assets and Obligations

(Rs. in crore)

	Gratuity (Funded)	
	As at 31st March 2021	As at 31st March 2020
Present value of Obligation	**4.07**	4.11
Fair value of Plan Assets	**5.28**	4.94
Amount recognised in Balance Sheet	**(1.21)**	(0.83)

IV) Expenses recognised during the year

(Rs. in crore)

	Gratuity (Funded)	
	2020-21	2019-20
In Income Statement		
Current Service Cost	**0.31**	0.31
Interest Cost	**0.28**	0.37
Expected Return on Plan Assets	**(0.34)**	(0.37)
Net Cost	**0.25**	0.31
In Other Comprehensive Income		
Actuarial (Gain) / Loss	**(0.02)**	0.10
Return on Plan Assets	**(0.00)**	0.03
Net (Income) / Expense For the year Recognised in OCI	**(0.02)**	0.12

V) Investment Details

	As at 31st March 2021		As at 31st March 2020	
	(Rs. in crore)	**% Invested**	(Rs. in crore)	% Invested
Insurance Policies	**5.28**	**100**	4.94	100

Notes to Standalone Financial Statements for the year ended 31st March 2021

VI) Actuarial assumptions

Mortality Table (IALM)	Gratuity (Funded)	
	2020-21	2019-20
	2006-08	2006-08
	(Ultimate)	(Ultimate)
Discount Rate (per annum)	6.95%	6.84%
Rate of escalation in Salary (per annum)	6.00%	6.00%
Rate of employee turnover (per annum)	2.00%	2.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets Management.

VII) The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2020-21.

VIII) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period , while holding all other assumptions constant. The result of Sensitivity analysis is given below :

(Rs. in crore)

Particulars	As at 31st March 2021		As at 31st March 2020	
	Decrease	**Increase**	Decrease	Increase
Change in discounting rate (delta effect of -/+ 0.5%)	**4.22**	**3.94**	**4.25**	**3.99**
Change in rate of salary increase (delta effect of +/- 0.5%)	**3.94**	**4.22**	**3.98**	**4.25**
Change in rate of employee turnover (delta effect of +/- 0.25%)	**4.07**	**4.08**	**4.12**	**4.12**
Mortality Rate (- / + 10% of mortality rates)	**4.08**	**4.08**	**4.12**	**4.12**

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

Investment Risk :- The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest Risk :- A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity Risk :- The present value of the defined benefit plan liability is calculated with reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk :- The present value of the defined plan liability is calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(Rs. in crore)

29.	**Finance Costs:**	**2020-21**	2019-20
	Interest Costs* (refer Note 29.1)	**2 665.51**	1 366.60
	Other Borrowing Costs	**0.15**	0.14
	Total	**2 665.66**	1 366.74

Notes to Standalone Financial Statements for the year ended 31st March 2021

29.1 During the year, the Company had redeemed 1,88,00,000 10% Non-Cumulative Redeemable Preference Shares (4 Series) of face value of Rs. 10 each at a premium of Rs. 990/- per share aggregating to Rs. 1,880.00 crore. Amount of Rs. 921.93 crore, net off pro-rata amount already provided out of profits of earlier years, was recognised as Interest Cost.

* includes Interest on Lease Liabilities Rs. 0.09 crore (Previous Year Rs. 0.40 crore) and Interest Costs are net of Interest Capitalised of Rs. 5.22 crore (Previous Year Rs. 3.84 crore).

(Rs. in crore)

30.	**Depreciation and Amortisation Expense**	**2020-21**	2019-20
	Depreciation and Amortisations (refer Note 1)	**503.45**	621.58
	Total	**503.45**	621.58

(Rs. in crore)

31.	**Other Expenses**	**2020-21**	2019-20
	Port Infrastructure related Expenses	**357.59**	383.23
	Contracts payments	**29.65**	64.46
	Construction Materials, Stores, Spares and Consumables Consumed	**163.05**	169.24
	Repairs to Plant and Machinery	**19.50**	41.88
	Professional Fees	**30.52**	26.09
	Insurance	**16.81**	22.35
	Rent	**5.79**	3.12
	Rates and Taxes	**2.61**	2.59
	Repairs to Buildings	**0.25**	0.59
	Repairs to Others	**47.67**	61.92
	Payment to Auditors (refer Note 31.1)	**0.51**	0.50
	General Expenses	**133.37**	63.12
	Corporate Social Responsibility Expenditure / Charity and Donations (refer Note 31.2)	**30.23**	33.85
	Net Loss / (Gain) on Foreign Currency Transactions and Translation	**6.27**	(18.63)
	Provision for doubtful Loans and Interest receivables (refer Nore 12 & 13)	**3.00**	-
	Loan written off ^	-	1 018.53
	Bad debts write off*	**1.77**	1 455.66
	Changes in Fair Value of Financial Assets (net)	**18.96**	262.83
	Loss on Sale of Property, Plant and Equipment	**0.03**	0.03
	Total	**867.58**	3 591.36

^ represents write off of loan given to fellow subsidiary of the Company.

* towards interest receivable from fellow subsidiary of the Company in the Previous year.

(Rs. in crore)

31.1	**Payment to Auditors as :**	**2020-21**	2019-20
	Statutory Audit Fees	**0.50**	0.50
	Certification Fee	**0.01**	-
	Total	**0.51**	0.50

Notes to Standalone Financial Statements for the year ended 31st March 2021

31.2 Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 30.21 crore (Previous Year Rs. 33.84 crore).

(b) Expenditure related to Corporate Social Responsibility is Rs. 30.23 crore (Previous Year Rs. 33.85 crore).

Details of Amount spent towards CSR given below: (Rs. in crore)

Particulars	**2020-21**	2019-20
Health Care	-	15.94
Animal Welfare	**30.23**	0.06
Education	-	16.76
Sports	-	0.82
General	-	0.27
Total	**30.23**	33.85

	32. Earnings Per Share (EPS)	**2020-21**	2019-20
i)	Net Profit after Tax as per Statement of Profit and Loss (Rs. in crore)	**1 051.57**	(561.40)
	Less :- Dividend on 9% Cumulative Redeemable Preference Shares (CRPS)	**1.97**	1.69
	Net Profit attributable to Equity Shareholders (Rs. in crore) (Used as Numerator for calculation)	**1 049.60**	(563.09)
ii)	Weighted Average number of Equity Shares (Used as Denominator for calculation)	**275 00 00 000**	275 00 00 000
iii)	Basic and Diluted Earnings Per Share of Re. 1/- each (In Rupees)	**3.82**	(2.05)

33. As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and also related parties with whom transactions have taken place and relationships :

Sr. No.	**Name of the Related Party**	**Relationship**
1	Reliance Industries Holding Private Limited	Holding Company
2	Kankhal Trading LLP	Entity over which Holding Company is having control
3	EWPL Holdings Private Limited	Fellow Subsidiary
4	East West Pipeline Private Limited (Formerly East West Pipeline Limited)	Fellow Subsidiary
5	Antilia Commercial Private Limited	Fellow Subsidiary
6	Jamnagar Utilities & Power Private Limited	Fellow Subsidiary & Associate (from 22.12.2020)
7	Reliance Industries Limited	Associate
8	Amritkalash Commercial LLP	Jointly Controlled Entity
9	Drishtimohan Commercial LLP	Jointly Controlled Entity (from 17.03.2021)
10	Vaijayanti Commercial LLP	Jointly Controlled Entity (from 30.03.2021)
11	Shri M Sundar	Key Managerial Personnel
12	Shri Ritesh Shiyal	Key Managerial Personnel
13	Ms. Mohana V	Key Managerial Personnel
14	Reliance Ports And Terminals Limited Employees Provident Fund	Post Employment Benefits Plan
15	Reliance Ports And Terminals Limited Employees Superannuation Scheme	Post Employment Benefits Plan
16	Reliance Ports And Terminals Limited Employees Gratuity Fund	Post Employment Benefits Plan

Notes to Standalone Financial Statements for the year ended 31st March 2021

33. As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(ii) Transactions during the year with Related Parties : (Rs. in crore)

Sr. No.	**Nature of Transactions** (Excluding reimbursements)	**Holding Company**	**Subsidiaries**	**Fellow Subsidiaries / Entity over which Holding Company is having control**	**Associate /Jointly Controlled Entity**	**Fellow Subsidiary & Associate**	**Key Managerial Personnel**	**Post Employment Benefits Plan**	**Total**
1	Proceeds from Borrowings - Cumulative Redeemable Preference Shares	**18.80**	-	-	-	-	-	-	**18.80**
		-	-	-	-	-	-	-	-
2	Repayment of Borrowings - Non-Cumulative Redeemable Preference shares (including premium)	**760.00**	-	**1 120.00**	-	-	-	-	**1 880.00**
		-	-	-	-	-	-	-	-
3	Purchase / Subscription of Investments	-	-	-	**2.95**	**5 000.00**	-	-	**5 002.95**
		-	-	-	*1,261.75*	-	-	-	*1 261.75*
4	Sale / Redemption of Investments (Re. 1)	-	-	-	-	-	-	-	-
		0.00	-	-	-	-	-	-	*0.00*
5	Loans and advances given / (returned) [net]	-	-	**87.51**	-	-	-	-	**87.51**
		-	*45.78*	*174.80*	-	-	-	-	*220.58*
6	Sale of Services*	-	-	-	**3 385.91**	**0.62**	-	-	**3 386.53**
		-	-	-	*3 765.08*	*2.68*	-	-	*3 767.76*
7	Billing for Salaries of KMP on Deputation*	**0.99**	-	-	-	**0.43**	-	-	**1.42**
		-	-	-	-	*0.42*	-	-	*0.42*
8	Sale of Traded Goods / Scrap*	-	-	-	**0.02**	-	-	-	**0.02**
		-	-	-	*0.12*	-	-	-	*0.12*
9	Lease Rent Expenses [Rs. 2,000 (Previous Year Rs. 2,000)]	-	-	-	**0.00**	-	-	-	**0.00**
		-	-	-	*0.00*	-	-	-	*0.00*
10	Purchase including Construction Material, Stores, Spares and Consumables*	-	-	-	**0.65**	-	-	-	**0.65**
		-	-	-	*17.58*	-	-	-	*17.58*
11	Payment to Key Managerial Personnel	-	-	-	-	-	**1.82**	-	**1.82**
		-	-	-	-	-	*2.31*	-	*2.31*
12	Other Expenses*	-	-	-	**0.53**	-	-	-	**0.53**
		-	-	-	*1.09*	-	-	-	*1.09*
13	Employee Benefits Expense	-	-	-	-	-	-	**3.05**	**3.05**
		-	-	-	-	-	-	*3.41*	*3.41*
14	Loan written off	-	-	-	-	-	-	-	-
		-	-	*1 018.53*	-	-	-	-	*1 018.53*
15	Write off of Interest receivable as Bad debts	-	-	-	-	-	-	-	-
		-	-	*1 455.66*	-	-	-	-	*1 455.66*

* including taxes, wherever applicable

Notes to Standalone Financial Statements for the year ended 31st March 2021

33. As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(iii) Balances as at 31st March 2021 (Rs. in crore)

1	Equity Share Capital	**275.00**	-	-	-	-	-	-	**275.00**
		275.00	-	-	-	-	-	-	*275.00*
2	Borrowings - Non-Cumulative Redeemable Preference shares$	**213.97**	-	**315.33**	-	-	-	-	**529.30**
		580.96	-	*856.14*	-	-	-	-	*1 437.10*
3	Borrowings - Cumulative Redeemable Preference shares$	**37.60**	-	-	-	-	-	-	**37.60**
		18.80	-	-	-	-	-	-	*18.80*
4	Investments [Re. 1 (Previous Year Re. 1)] (refer Note 2 & 8)	-	-	**0.00**	**1 264.70**	**5 000.00**	-	-	**6 264.70**
		-	-	*0.00*	*1 261.75*	-	-	-	*1 261.75*
5	Trade Receivable	**0.08**	-	-	**133.66**	**0.08**	-	-	**133.82**
		-	-	-	*290.60*	*3.10*	-	-	*293.70*
6	Trade Payable	-	-	-	**0.36**	-	-	-	**0.36**
		-	-	-	*0.43*	-	-	-	*0.43*
7	Security Deposits taken	-	-	-	**583.66**	-	-	-	**583.66**
		-	-	-	*536.73*	-	-	-	*536.73*
8	Income received in Advance	-	-	-	**466.34**	-	-	-	**466.34**
		-	-	-	*513.27*	-	-	-	*513.27*
9	Loans and Advances given	-	-	**307.94**	-	-	-	-	**307.94**
		-	-	*220.43*	-	-	-	-	*220.43*

$ refer Note 18 for redemption date(s)

Note:- Figures in italics represent Previous Year's amounts.

Disclosure of material Related Party transactions (in respect of the parties and for the period during which the relationship exists) : (Rs. in crore)

Particulars	**Relationship**	**2020-21**	2019-20
Proceeds from Borrowings - Cumulative Redeemable Preference Shares			
Reliance Industries Holding Private Limited	Holding Company	**18.80**	-
Repayment of Borrowings - Non-Cumulative Redeemable Preference shares (including premium)			
Reliance Industries Holding Private Limited	Holding Company	**760.00**	-
Kankhal Trading LLP	Entity over which Holding Company is having control	**1 120.00**	-
Purchase / Subscription of Investments			
Amritkalash Commercial LLP	Jointly Controlled Entity	**2.95**	1 261.75
Jamnagar Utilities & Power Private Limited	Fellow Subsidiary & Associate	**5 000.00**	-
Sale / Redemption of Investments			
Reliance Industries Holding Private Limited (Re. 1)	Holding Company	-	0.00
Loans and advances given / (returned) [net]			
East West Pipeline Private Limited	Subsidiary	-	45.68
East West Pipeline Private Limited	Fellow Subsidiary	**87.51**	174.75
EWPL Holdings Private Limited	Subsidiary	-	0.10
EWPL Holdings Private Limited	Fellow Subsidiary	-	0.05
Sale of Services			
Jamnagar Utilities & Power Private Limited	Fellow Subsidiary & Associate	**0.62**	2.68
Reliance Industries Limited	Associate	**3 385.91**	3 765.08

Notes to Standalone Financial Statements for the year ended 31st March 2021

(Rs. in crore)

Particulars	**Relationship**	**2020-21**	2019-20
Billing for Salaries of KMP on Deputation			
Reliance Industries Holding Private Limited	Holding Company	**0.99**	-
Jamnagar Utilities & Power Private Limited	Fellow Subsidiary & Associate	**0.43**	0.42
Sale of Traded Goods / Scrap			
Reliance Industries Limited	Associate	**0.02**	0.12
Lease Rent Expenses			
Reliance Industries Limited [Rs. 2000 (Previous Year Rs. 2000)]	Associate	**0.00**	0.00
Purchase including Construction Material, Stores, Spares and Consumables			
Reliance Industries Limited	Associate	**0.65**	17.58
Payment to Key Managerial Personnel			
Shri M Sundar*	Key Managerial Personnel	**0.41**	0.72
Shri Ritesh Shiyal	Key Managerial Personnel	**0.71**	0.70
Ms. Mohana V	Key Managerial Personnel	**0.70**	0.89
Other Expenses			
Reliance Industries Limited	Associate	**0.53**	1.09
Employee Benefits Expense			
Reliance Ports And Terminals Limited Employees Provident Fund	Post Employment Benefits Plan	**2.79**	3.11
Reliance Ports And Terminals Limited Employees Superannuation Scheme	Post Employment Benefits Plan	**0.26**	0.12
Reliance Ports And Terminals Limited Employees Gratuity Fund	Post Employment Benefits Plan	-	0.18
Loan written off			
EWPL Holdings Private Limited	Fellow Subsidiary	-	1 018.53
Write off of Interest receivable as Bad debts			
East West Pipeline Private Limited	Fellow Subsidiary	-	1 455.66

* Net off of Billing to Holding Company

Balances as at 31st March 2021 (Rs. in crore)

Particulars	**Relationship**	**As at 31st March 2021**	As at 31st March 2020
Security Deposits Taken *			
Reliance Industries Limited	Associate	**583.66**	536.73
Income received in Advance *			
Reliance Industries Limited	Associate	**466.34**	513.27
Loans - Current			
East West Pipeline Private Limited	Fellow Subsidiary	**307.94**	220.43

* received pursuant to the agreement and will remain valid till the period of the agreement.

All related party contracts / arrangements have been entered on arms' length basis.

33.1 Compensation of Key Managerial Personnel

The remuneration of key managerial personnel during the year was as follows: (Rs. in crore)

	2020-21	2019-20
(i) Short-Term Benefits	**1.76**	2.19
(ii) Post Employment Benefits	**0.06**	0.12
(iii) Other Long Term Benefits	-	-
(iv) Share Based Payments	-	-
(v) Termination Benefits	-	-
Total	**1.82**	2.31

Notes to Standalone Financial Statements for the year ended 31st March 2021

34. Segment Information

The Company's operating segments are identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems established for evaluation by the Board of Directors of the Company (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance.

The Company has two principal operating and reporting segment i.e. Port Infrastructure and Investments.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting :

(a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

(b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related items and other Assets and Liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

(i) **Primary Segment Information :**

(Rs. in crore)

	Particulars	Port Infrastructure		Investment		Others		Unallocable		Total	
		2020-2021	2019-2020	**2020-2021**	2019-2020	**2020-2021**	2019-2020	**2020-2021**	2019-2020	**2020-2021**	2019-2020
1	**Segment Revenue**										
	Sales and Service Income	**3 806.19**	4 017.73	-	-	**89.70**	270.40	-	-	**3 895.89**	4 288.13
	Gross Revenue	**3 806.19**	4 017.73	-	-	**89.70**	270.40	-	-	**3 895.89**	4 288.13
	Less: GST Recovered	**247.77**	245.43	-	-	**12.88**	38.19	-	-	**260.65**	283.62
	Add:- Other Operating Revenue	-	0.29	-	-	**0.08**	0.65	-	-	**0.08**	0.94
	Revenue from Operations*	**3 558.42**	3 772.59	-	-	**76.90**	232.86	-	-	**3 635.32**	4 005.45
	Add:- Interest Income	**0.00**	-	**2 205.41**	1 399.26	**0.02**	0.06	**66.18**	0.02	**2 271.61**	1 399.34
	Add:- Other Income	**2.01**	0.26	**204.70**	651.78	**0.11**	4.51	**188.55**	143.03	**395.37**	799.58
	Total Income	**3 560.43**	3 772.85	**2 410.11**	2 051.04	**77.03**	237.43	**254.73**	143.05	**6 302.30**	6 204.37
2	**Segment Result before Interest and Taxes**	**2 548.70**	2 700.23	**2 390.40**	(685.98)	**(213.56)**	(96.92)	**174.47**	41.73	**4 900.01**	1 959.06
	Less:- Finance Costs	-	-	-	-	-	-	**2 665.66**	1 366.74	**2 665.66**	1 366.74
	Profit before Tax	**2 548.70**	2 700.23	**2 390.40**	(685.98)	**(213.56)**	(96.92)	**(2 491.19)**	(1 325.01)	**2 234.35**	592.32
	Current Tax	-	-	-	-	-	-	**896.30**	236.00	**896.30**	236.00
	Deferred Tax	-	-	-	-	-	-	**286.48**	917.72	**286.48**	917.72
	Profit after Tax	**2 548.70**	2 700.23	**2 390.40**	(685.98)	**(213.56)**	(96.92)	**(3 673.97)**	(2 478.73)	**1 051.57**	(561.40)
3	**Other Information**										
	Segment Assets	**3 623.97**	3 778.28	**35 956.87**	31 104.53	**367.70**	391.73	**694.37**	1 734.67	**40 642.91**	37 009.22
	Segment Liabilities	**1 176.99**	1 263.87	-	-	**60.95**	60.09	**22 304.86**	20 005.37	**23 542.80**	21 329.33
	Capital Expenditure	**215.53**	294.62	-	-	**1.43**	-	**26.79**	30.96	**243.75**	325.58
	Depreciation and Amortisation Expenses	**434.12**	534.64	-	-	**40.84**	59.98	**28.49**	26.96	**503.45**	621.58

The reporting Segment is further described below :

- The Port Infrastructure segment includes operations related to evacuation of petroleum products and crude at port and infrastructure facilities at Jamnagar.

Notes to Standalone Financial Statements for the year ended 31st March 2021

- The Investments segment representing investments, loans and advances and related financing activities.
- The businesses, which were not reportable segment during the year, have been grouped under "Others" segment. This mainly comprises of operations related to Construction & Engineering Services , Project Management Services, Plant and Equipment Hiring and Provision of Infrastructure Facilities as Co-Developer in Special Economic Zone.

(ii) **Secondary Segment Information (Geographical):**

Since the operations of the Company is predominantly conducted within India hence there are no separate reportable geographical segment.

* includes Rs. 3,196.68 crore (Previous Year Rs. 3,557.82 crore) derived from Reliance Industries Limited.

(Rs. in crore)

35. **Contingent Liabilities And Commitments**	**As at 31st March 2021**	As at 31st March 2020
(I) **Contingent Liabilities** (to the extent not provided for)		
(a) Claims against the Company / disputed liabilities not acknowledged as debts *	**19.25**	**17.70**
(b) Performance Guarantee	**11.31**	**10.98**

* The Company has been advised that the claims are likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

(II) **Commitments**		
(a) Estimated amount of contracts remaining to be executed on capital accounts and not provided for		
in respect of Others	**69.75**	142.70
(b) Dividend to be paid on 9% Cumulative Redeemable Preference Shares (CRPS) being 3,76,00,000 (1,88,00,000) shares of face value of Rs. 10/- each	**4.95**	2.98

(Rs. in crore)

36. **Lease Disclosures**	**As at 31st March 2021**	As at 31st March 2020
Lease Liabilities – Maturity Analysis		
Particulars		
Not later than 1 year	**0.27**	2.31
Later than 1 year and not later than 5 years	-	0.25
Total	**0.27**	2.56

37. Capital Management

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

a) Maintain financial strength to ensure AAA ratings.

b) Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.

c) Proactively manage exposure in forex and interest to mitigate risk to earnings.

d) Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

Notes to Standalone Financial Statements for the year ended 31st March 2021

The gearing ratio at end of the reporting period was as follows :

(Rs. in crore)

	As at 31st March 2021	As at 31st March 2020
Gross Debt	**20 292.17**	17 929.89
Cash and Marketable Securities (refer Note 2, 8 & 10)	**5 057.07**	5 481.01
Net Debt (A)	**15 235.10**	12 448.88
Total Equity (As per Balance Sheet) (B)	**17 100.11**	15 679.89
Net Gearing (A/B)	**89%**	79%

38. Financial Instruments

A. Fair Value Measurement Hierarchy :

(Rs. in crore)

Particulars	**As at 31st March 2021**				As at 31st March 2020			
	Carrying Amount	**Level of input used in**			Carrying Amount	Level of input used in		
		Level 1	**Level 2**	**Level 3**		Level 1	Level 2	Level 3
Financial Assets								
At FVTPL								
Investments (Rs. 33,000)	**4 689.08**	**4 689.08**	-	**0.00**	5 109.68	5 004.68	105.00	0.00
At FVTOCI								
Investments	**2 450.00**	-	**2 450.00**	-	-	-	-	-
Financial Liabilities								
At FVTOCI								
Financial Derivatives	**780.12**	-	**780.12**	-	1,298.56	-	1,298.56	-

Above Investments excludes financial assets measured at Cost (refer Note 2 & 8).

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below :

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs based on unobservable market data.

Valuation Methodology

All Financial Instruments are initially recognized and subsequently re-measured at fair value as described below :

a) The fair value of investment in Fixed Maturity Plan, Mutual Funds, Bonds and Certificates of Deposit is measured at quoted price or NAV.

b) The fair value of Forward Foreign Exchange contracts and Currency Swaps is determined using forward exchange rates and yield curves at the balance sheet date.

c) The fair value for level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

d) The fair value of the remaining financial instruments is determined using discounted cash flow analysis or other suitable valuation model.

e) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

f) Fair values of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, borrowings, trade payables and other financial liabilities are approximate at their carrying amounts.

Notes to Standalone Financial Statements for the year ended 31st March 2021

B. Financial Risk Management

The different types of risks the Company is exposed to are market risk, credit risk and liquidity risk. The Company uses derivative financial instruments such as forwards, options and currency swap contracts to minimise any adverse effect on its financial performance. All such activities are undertaken within an approved Risk Management Policy framework.

i) Market Risk

a) Foreign Currency Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The following table shows foreign currency exposures in USD, EUR and GBP on financial instruments at the end of the reporting period. The exposure to foreign currency for all other currencies are not material.

Foreign Currency Exposure (Rs. in crore)

Particulars	**As at 31st March 2021**			As at 31st March 2020		
	USD	**EUR**	**GBP**	USD	EUR	GBP
Trade and Other Payables	**49.54**	**0.35**	**0.01**	43.30	1.83	0.36
Trade and Other Receivables	**(449.83)**	**(7.18)**	**(4.05)**	(278.26)	(0.11)	(2.33)
Derivatives						
Currency Swap (Nominal Value)	**6 154.45**	-	-	7 480.14	-	-
Net Exposure	**5 754.16**	**(6.83)**	**(4.04)**	7 245.18	1.72	(1.97)

The net exposures have natural hedges in the form of future foreign currency earnings and earnings linked to foreign currency for which the Company follows hedge accounting.

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges

Foreign Currency Sensitivity (Rs. in crore)

Particulars	**As at 31st March 2021**			As at 31st March 2020		
	USD	**EUR**	**GBP**	USD	EUR	GBP
1% Depreciation in INR						
Impact on Equity	**(56.07)**	-	-	(69.32)	-	-
Impact on P&L	**(1.47)**	**0.07**	**0.04**	(3.13)	(0.02)	0.02
Total	**(57.54)**	**0.07**	**0.04**	(72.45)	(0.02)	0.02
1% Appreciation in INR						
Impact on Equity	**56.07**	-	-	69.32	-	-
Impact on P&L	**1.47**	**(0.07)**	**(0.04)**	3.13	0.02	(0.02)
Total	**57.54**	**(0.07)**	**(0.04)**	72.45	0.02	(0.02)

Notes to Standalone Financial Statements for the year ended 31st March 2021

b) Interest Rate Risk

The exposure of the Company's borrowing and derivatives to interest rate changes at the end of the reporting period are as follows :

(Rs. in crore)

Interest Rate Exposure

Particulars	**As at 31st March 2021**	As at 31st March 2020
Loans - Long Term		
Floating Loan	**749.63**	-
Fixed Loan	**19 043.78**	17 929.89
Total	**19 793.41**	17 929.89
Loans - Short Term		
Floating Loan	-	-
Fixed Loan	**498.76**	-
Total	**498.76**	-
Derivatives (Nominal Value)		
Currency Swap-Floating Interest	**994.15**	1 214.34
Currency Swap-Fixed Interest	**5 160.30**	6 265.80
Total	**6 154.45**	7 480.14

Impact on Interest Expenses for the year on 1% change in Interest rate

Interest rate Sensitivity (Rs. in crore)

Particulars	**As at 31st March 2021**		As at 31st March 2020	
	Up Move	**Down Move**	Up Move	Down Move
Impact on P&L	**(17.44)**	**17.44**	(12.14)	12.14
Total	**(17.44)**	**17.44**	(12.14)	12.14

ii) Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from Company's activities in investments, dealing in derivatives and receivables from customers. A significant portion of service revenue of the Company is derived from a single customer enjoying highest credit rating. Apart from this, Company ensures that services / sales to other customers are having appropriate creditworthiness. The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk is actively managed through security deposits, Letters of Credit, bank and corporate guarantees and advance payments.

iii) Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The Company maintains sufficient stock of cash, marketable securities and committed credit facilities. The Company accesses global and local financial markets to meet its liquidity requirements. It uses a range of products and a mix of currencies to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of the Company's cash flow position and ensures that the Company is able to meet its financial obligation at all times including contingencies.

The Company's liquidity is managed centrally with operating units forecasting their cash and liquidity requirements. Treasury pools the cash surpluses from across the different operating units and then arranges to either fund the net deficit or invest the net surplus in the market.

Notes to Standalone Financial Statements for the year ended 31st March 2021

Maturity Profile as on 31st March 2021 (Rs. in crore)

Particulars	Below 3 Months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Total
Borrowings*							
Non-Current	-	5 009.38	18.75	9 603.12	656.35	4 529.30	**19 816.90**
Current	498.76	-	-	-	-	-	**498.76**
Total Borrowings	**498.76**	**5 009.38**	**18.75**	**9 603.12**	**656.35**	**4 529.30**	**20 315.66**
Derivative Liabilities (Nominal Value)							
Currency Swap	378.55	314.55	565.10	3 410.25	1 271.00	215.00	**6 154.45**
Total Derivative Liabilities	**378.55**	**314.55**	**565.10**	**3 410.25**	**1 271.00**	**215.00**	**6 154.45**

* excluding Rs. 23.49 crore as prepaid finance charges

Maturity Profile as on 31st March 2020 (Rs. in crore)

Particulars	Below 3 Months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Total
Borrowings							
Non-Current*	-	-	-	8 500.00	4 000.00	5 455.90	**17 955.90**
Total Borrowings	-	-	-	**8 500.00**	**4 000.00**	**5 455.90**	**17 955.90**
Derivative Liabilities (Nominal Value)							
Currency Swap	225.80	315.30	784.60	2 575.88	3 063.56	515.00	**7 480.14**
Total Derivative Liabilities	**225.80**	**315.30**	**784.60**	**2 575.88**	**3 063.56**	**515.00**	**7 480.14**

* excluding Rs. 26.01 crore as prepaid finance charges

C. Hedge Accounting

The Company's business objective includes safe-guarding its earnings and foreign currency liabilities against adverse price movements of foreign exchange rates. The Company has adopted a structured risk management policy to hedge all this risk within an acceptable risk limit and an approved hedge accounting framework which allows for Cash Flow hedges. Hedging instruments include forward and options as well as non derivative instruments to achieve this objective. The table below shows the position of hedging instruments and hedged items as of the balance sheet date.

Disclosure of effects of Hedge Accounting

(i) Cash Flow Hedge

Hedging Instrument (Rs. in crore)

Type of Hedge and Risks	Nominal Value	Carrying Amount Assets	Carrying Amount Liabilities	Changes in FV	Hedge Maturity Date	Line Item in Balance Sheet
As at 31st March 2021						
Foreign currency risk						
Derivatives - Currency Swap	6 154.45	-	780.12	(780.12)	April 2021 to July 2026	Non Current Liabilities -Other Financial Liabilities (refer Note 19) & Current Liabilities-Other Financial Liabilities (refer Note 23)
As at 31st March 2020						
Foreign currency risk						
Derivatives-Currency Swap	7 480.14	-	1 298.56	(1 298.56)	April 2020 to July 2026	Non Current Liabilities - Other Financial Liabilities (refer Note 19) & Current Liabilities-Other Financial Liabilities (refer Note 23)

Notes to Standalone Financial Statements for the year ended 31st March 2021

(ii) Hedging Items

(Rs. in crore)

Particulars	Nominal Value	Changes in FV	Hedge Reserve	Line Item in Balance Sheet
As at 31st March 2021				
Foreign currency risk				
Highly Probable Revenues	6 154.45	(780.12)	(780.12)	Other Equity
As at 31st March 2020				
Foreign currency risk				
Highly Probable Revenues	7 480.14	(1,298.56)	(1 298.56)	Other Equity

(iii) Movement in cash flow hedge

(Rs. in crore)

Particulars	2020-21	2019-20	Line Item in Statement of Profit and Loss
At the beginning of the year	**(1 298.56)**	(359.79)	
Gain / (loss) recognized in Other Comprehensive Income during the year	**655.40**	(717.60)	Items that will be reclassified to Statement of Profit and Loss - Cash Flow Hedge
Hedge ineffectiveness recognized in Statement of Profit and Loss	**25.82**	(82.85)	Other Income - Income on Derivate Transactions
Amount reclassified to Statement of Profit and Loss during the year	**(162.78)**	(138.33)	Items that will be reclassified to Statement of Profit and Loss - Cash Flow Hedge
At the end of the year	**(780.12)**	(1 298.56)	

D. Off-setting financial Instrument

Financial assets and Financial liabilities amounting to Rs. 133.67 crore (Previous Year Rs. 117.28 crore), where Company intends to realise the asset and settle the liability simultaneously, are offset against each other in accordance with Ind AS 1.

39. The figures for the corresponding previous year have been regrouped / rearranged wherever necessary, to make them comparable.

40. The Company is engaged in the business of providing infrastructural facilities as defined under explanation to section 186 of the Companies Act, 2013 and hence provisions of section 186 of the Companies Act, 2013 are not applicable to the Company.

41. The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has evaluated impact of COVID-19 and there has been no significant impact on its major business operations. The Company has taken into account the impact of COVID-19 wherever applicable in preparation of the audited standalone financial statement, including its assessment of recoverable value of its assets based on internal and external information upto the date of approval of these audited standalone financial statement.

42. Approval of Financial Statements

The Financial Statements were approved for issue by the Board of Directors on 14th May, 2021.

As per our Report of even date
For D T S & Associates LLP
Chartered Accountants
(Registration No.142412W / W100595)

For and on behalf of the Board

Sanjeev Dandekar Director
Y B Prasad Director
Geeta Fulwadaya Director
Natarajan T G Director

Ashish G. Mistry
Partner
Membership No. 132639

S. Anantharaman Director
M Sundar Manager
Ritesh Shiyal Chief Financial Officer
Mohana V Company Secretary

Date : 14th May, 2021

Independent Auditors' Report

To the Members of Sikka Ports & Terminals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Sikka Ports & Terminals Limited (hereinafter referred to as "the Company") and its Jointly Controlled Entity comprising of the Consolidated Balance Sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on the separate financial statements of the jointly controlled entity, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2021, its consolidated profit including other comprehensive income, its consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Consolidated 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 Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Head	**Key Audit Matters**	**How our audit addressed the key audit matter**
Borrowings	As on 31st March 2021, the Company has outstanding Borrowings of Rs. 20,292.17 crore. These borrowings are by way of Non-convertible debentures listed on stock exchange of Rs. 18,476.88 crore (net off Rs. 23.12 crore prepaid finance charges), redeemable preference shares amounting to Rs. 566.90 crore, term loan from bank of Rs. 749.63 crore (net off Rs. 0.37 crore prepaid finance charges) (refer Note 18 of the consolidated financial statements). & commercial paper of Rs. 498.76 crore (refer Note 21 of the consolidated financial statements). The borrowings form significant portion of liabilities of the Company and hence considered to be a key audit matter.	Our audit procedures included the following: • Examining that the borrowings are authorised by the appropriate forum of the Company including Board of Directors and Members of the Company, wherever applicable. • Ensuring the compliances as per the Act and testing the disclosures given by the Company related to security creation and terms of repayments in the Consolidated Financial Statements of the Company. • Ensuring that the disclosures required as per Schedule III to the Act, are made by the Company in the Consolidated Financial Statements.

Information Other than the financial statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board of Director's report in annual report for the year ended March 31, 2021, but does not include (the Consolidated Financial Statements and our auditor's report thereon).

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including Jointly Controlled Entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Board of Directors of the Company and management of Jointly Controlled Entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company including Jointly Controlled Entity 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 Consolidated Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the Board of Directors of the Company and management of Jointly Controlled Entity are responsible for assessing the ability of the Company and its Jointly Controlled Entity 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 of the Company and management of Jointly Controlled Entity are also responsible for overseeing the financial reporting process of the Company and Jointly Controlled Entity.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of

the Company and its Jointly Controlled Entity to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its Jointly Controlled Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information or business activities of the Company and its Jointly Controlled Entity to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entity included in the Consolidated Financial Statements of which we are the independent auditors regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. 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.

Other Matter

The accompanying Consolidated Financial Statements include financial statements and other financial information in respect of a jointly controlled entity which reflects Company's share of net profit after tax of Rs. NIL for the year ended March 31, 2021. These financial statements and other financial information have been audited by the other auditors whose report has been furnished to us by the management.

Our opinion, in so far as it relates to amounts and disclosures included in respect of the jointly controlled entity, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entity, is based solely on such audited financial statements and other audited financial information.

Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company, none of the directors is disqualified as on March 31, 2021 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 with reference to these Consolidated Financial Statements and the operating effectiveness of such controls; refer to our report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the year by the Company to its directors is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the financial statements and the other financial information of the Jointly Controlled Entity as noted in the 'Other Matter' paragraph:

   i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Company as referred to in Note 35(I)(a) to Consolidated Financial Statements;

   ii. Provision has been made in Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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

For **D T S & Associates LLP**
Chartered Accountants
(Registration No. 142412W/W100595)

Ashish G. Mistry
Partner
Membership No. 132639
UDIN: 21132639AAAABK2501

Place: Mumbai
Date: 21st June, 2021.

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Sikka Ports & Terminals Limited on the Consolidated Financial Statements for the year ended 31st March, 2021)

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the Internal Financial Controls with reference to Consolidated Financial Statements of Sikka Ports & Terminals Limited (hereinafter referred to as "the Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial reporting 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 with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements 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, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls system with reference to Consolidated Financial Statements were operating effectively as at March 31, 2021 based on the internal control with reference to Consolidated Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D T S & Associates LLP**
Chartered Accountants
(Registration No. 142412W/W100595)

Ashish G. Mistry
Partner
Membership No. 132639
UDIN: 21132639AAAABK2501

Place: Mumbai
Date: 21st June, 2021.

Consolidated Balance Sheet as at 31st March 2021

	Notes	(Rs. in crore) As at 31st March 2021
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	1	**2 623.31**
Capital Work-in-Progress	1	**534.87**
Intangible Assets	1	**0.16**
Financial Assets		
Investments	2	**7 450.75**
Loans	3	**20 000.02**
Other Financial Assets	4	**0.67**
Other Non-Current Assets	6	**482.40**
Total Non-Current Assets		**31 092.18**
Current Assets		
Inventories	7	**247.35**
Financial Assets		
Investments	8	**5 953.03**
Trade Receivables	9	**162.27**
Cash and Cash Equivalents	10	**367.99**
Other Bank Balances	11	**2.01**
Loans	12	**2 523.86**
Other Financial Assets	13	**73.63**
Other Current Assets	15	**220.59**
Total Current Assets		**9 550.73**
Total Assets		**40 642.91**
EQUITY & LIABILITIES		
Equity		
Equity Share Capital	16	**275.00**
Other Equity	17	**16 825.11**
Total Equity		**17 100.11**
Liabilities		
Non - Current Liabilities		
Financial Liabilities		
Borrowings	18	**14 765.28**
Other Financial Liabilities	19	**1 242.20**
Deferred Tax Liabilities (Net)	5	**347.04**
Other Non - Current Liabilities	20	**415.31**
Total Non - Current Liabilities		**16 769.83**
Current Liabilities		
Financial Liabilities		
Borrowings	21	**498.76**
Trade Payables dues of		
- Micro and Small Enterprise	22	**1.08**
- Other than Micro and Small Enterprise	22	**96.44**
Other Financial Liabilities	23	**6 075.84**
Other Current liabilities	24	**100.83**
Provisions	25	**0.02**
Total Current Liabilities		**6 772.97**
Total Liabilities		**23 542.80**
Total Equity and Liabilities		**40 642.91**
Significant Accounting Policies		
See accompanying Notes to Consolidated Financial Statements	1-45	

As per our Report of even date

For D T S & Associates LLP
Chartered Accountants
(Registration No.142412W / W100595)

Ashish G. Mistry
Partner
Membership No. 132639
Date : 21st June, 2021

For and on behalf of the Board

Sanjeev Dandekar Director
Y B Prasad Director
Natarajan T G Director
S. Anantharaman Director
M Sundar Manager
Ritesh Shiyal Chief Financial Officer
Mohana V Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March 2021

		(Rs. in crore)
Income	Notes	**2020-21**
Revenue from Operations	26	**3 635.32**
Other Income	27	**2 666.98**
Total Income		**6 302.30**
Expenses		
Cost of Goods Sold		**0.02**
Employee Benefits Expense	28	**31.24**
Finance Costs	29	**2 665.66**
Depreciation and Amortisation Expense	30	**503.45**
Other Expenses	31	**867.58**
Total Expenses		**4 067.95**
Profit Before Tax		**2 234.35**
Tax Expense		
Current Tax	14	**896.30**
Deferred Tax	14	**286.48**
Profit Before Share in Profit / (Loss) of Associate and Jointly Controlled Entity		**1 051.57**
Share of Profit / (Loss) of Associate and Jointly Controlled Entity		**-**
Profit for the Year		**1 051.57**
Other Comprehensive Income		
A (i) Item that will not be reclassified to Statement of Profit and Loss		**0.02**
(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss		**(0.01)**
B (i) Item that will be reclassified to Statement of Profit and Loss - Cash Flow Hedge		**492.62**
(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss		**(123.98)**
Total Other Comprehensive Income for the year (Net of Tax)		**368.65**
Total Comprehensive Income for the Year		**1 420.22**
Earnings Per Equity Share of face value of Re. 1 each		
Basic and Diluted (In Rs.)	32	**3.82**
Significant Accounting Policies		
See accompanying Notes to Consolidated Financial Statements	1-45	

As per our Report of even date
For D T S & Associates LLP
Chartered Accountants
(Registration No.142412W / W100595)

Ashish G. Mistry
Partner
Membership No. 132639
Date : 21st June, 2021

For and on behalf of the Board

Sanjeev Dandekar Director
Y B Prasad Director
Natarajan T G Director

S. Anantharaman Director
M Sundar Manager
Ritesh Shiyal Chief Financial Officer
Mohana V Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31st March 2021

A. Equity Share Capital **(Rs. in crore)**

Balance at the beginning of the reporting period i.e. 1st April, 2020	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period i.e. 31st March 2021
275.00	-	275.00

B. Other Equity **(Rs. in crore)**

	Reserve and Surplus					Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Debenture Redemption Reserve	Retained Earnings	Cashflow Hedge Reserve	Defined Benefit Plans	
As on 31st March, 2021								
Balance at the beginning of the reporting period i.e. 1st April, 2020	**705.75**	**4.41**	**20 163.06**	**1 439.50**	**(6 069.53)**	**(837.73)**	**(0.57)**	**15 404.89**
Total Comprehensive Income for the year	-	-	-	-	1 051.57	368.64	0.01	**1 420.22**
Transfer to / (from) retained earnings	-	-	-	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2021	**705.75**	**4.41**	**20 163.06**	**1 439.50**	**(5 017.96)**	**(469.09)**	**(0.56)**	**16 825.11**

As per our Report of even date
For D T S & Associates LLP
Chartered Accountants
(Registration No.142412W / W100595)

Ashish G. Mistry
Partner
Membership No. 132639
Date : 21st June, 2021

For and on behalf of the Board

Sanjeev Dandekar
Director

Y B Prasad
Director

Natarajan T G
Director

S. Anantharaman
Director

M Sundar
Manager

Ritesh Shiyal
Chief Financial Officer

Mohana V
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March 2021

			(Rs. in crore)
			2020-21
A:	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit Before Tax as per Statement of Profit and Loss		**2 234.35**
	Adjusted for:		
	Depreciation and Amortisation Expense	**503.45**	
	(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net)	**0.03**	
	Net Gain on Financial Assets	**(225.51)**	
	Finance Costs	**2 665.66**	
	Effect of Exchange Rate Change	**7.80**	
	Loan written off	**3.00**	
	Bad debts write off	**1.77**	
	Changes in Fair Value of Financial Assets (net)	**18.96**	
	Interest Income	**(2 271.61)**	
			703.55
	Operating Profit before Working Capital Changes		**2 937.90**
	Adjusted for:		
	Trade and Other Receivables	**168.69**	
	Inventories	**2.88**	
	Trade and Other Payables	**(49.25)**	
			122.32
	Cash Generated from Operations		**3 060.22**
	Taxes Paid (net)		**(295.45)**
	Net Cash flow from Operating Activities*		**2 764.77**
B:	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Property, Plant and Equipment / Capital Work in Progress	**(315.92)**	
	Change in Loans and Advances (net)	**1 220.33**	
	Purchase of Investments in Associate	**(5 000.00)**	
	Purchases of Investments in Jointly Controlled Entity (net)	**(2.95)**	
	Purchase of Other Investments	**(24 212.71)**	
	Proceeds from Sale of Other Investments	**22 364.05**	
	Fixed Deposits redeemed with Bank (net)	**4.37**	
	Interest Income	**3 220.86**	
	Net Cash flow used in Investing Activities		**(2 721.97)**

Consolidated Cash Flow Statement for the year ended 31st March 2021 (Contd.)

C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Borrowing - Non Current	**2 768.80**	
Proceeds from Borrowing - Current	**6 477.35**	
Repayment of Borrowings - Non Current (including premium)	**(1 880.00)**	
Repayment of Borrowings - Current	**(6 000.00)**	
Interest and Finance Charges Paid	**(1 515.00)**	
Payment of Lease Liabilities	**(2.29)**	
Net Cash flow used in Financing Activities		**(151.14)**
Net Increase / (Decrease) in Cash and Cash Equivalents		**(108.34)**
Opening Balance of Cash and Cash Equivalents		**476.33**
Closing Balance of Cash and Cash Equivalents (refer Note 10)		**367.99**

* includes amount spent in cash towards Corporate Social Responsibility is Rs. 30.23 crore (refer Note 31.2)

Change in Liability arising from Financing Activities **(Rs. in crore)**

	1st April 2020	Cash flow (net)	Non Cash Flow Changes	31st March 2021
Borrowings Non-Current Liabilities (refer Note 18)	17 929.89	888.80	974.71	19 793.41
Borrowings Current Liabilities (refer Note 21)	-	477.35	21.41	498.76

Notes:

1) Figures in brackets represents cash outflows.
2) The above statement of cash flow has been prepared under the “Indirect Method” as set out in Ind AS 7 on Statement of Cash Flow.

As per our Report of even date
For D T S & Associates LLP
Chartered Accountants
(Registration No.142412W / W100595)

Ashish G. Mistry
Partner
Membership No. 132639
Date : 21st June, 2021

For and on behalf of the Board

Sanjeev Dandekar Director
Y B Prasad Director
Natarajan T G Director

S. Anantharaman Director
M Sundar Manager
Ritesh Shiyal Chief Financial Officer
Mohana V Company Secretary

Notes to Consolidated Financial Statements for the year ended 31st March 2021

A. CORPORATE INFORMATION

Sikka Ports & Terminals Limited ("the Company") is an entity incorporated in India. The debentures issued by the Company are listed on BSE Ltd on the Wholesale Debt Market Segment.

The address of Registered Office is Admin Building, MTF Area, Village Sikka, Taluka & District Jamnagar – 361 140, Gujarat.

The Company is engaged in the business of providing Port Infrastructure Facilities, Equipment Hiring, Construction and Engineering Services, Provision of Infrastructure Facilities as Co-Developer in Special Economic Zone (SEZ) and Holding of Investments.

Details of following Entities considered in this consolidated Financial Statements are given in Note 39, 41 & 42.

1. Jamnagar Utilities & Power Private Limited (JUPPL) as Associate
2. Amritkalash Commercial LLP (ACL) as Jointly Controlled Entity

M/s Drishtimohan Commercial LLP and M/s Vaijayanti Commercial LLP are incorporated as Jointly Controlled Entities of the Company on 17.03.2021 and 30.03.2021 respectively. However, no financial transactions with these entities were entered into by the Company during FY 2020-21.

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 Basis of Preparation and Presentation

The Financial Statements have been prepared on a historical cost basis, except for property, plant and equipment to the extent stated at deemed cost as per Ind AS-101 and certain financial assets and liabilities, which are measured at fair value / amortised cost.

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company's Financial Statements are presented in Indian Rupees (Rs.), which is also its functional currency and all values are stated in rupees crore upto two decimal places, except when otherwise indicated.

B.2 Principles of Consolidation

The Consolidated Financial Statements relate to Sikka Ports & Terminals Limited ('the Company'), its Associate and Jointly Controlled Entity. The Consolidated Financial Statements have been prepared on the following basis:

(a) Investment in both Associate and Jointly Controlled Entity has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures.

(b) The Company accounts for its share of post acquisition changes in net assets of Associate and Jointly Controlled Entity, after eliminating unrealised profits and losses resulting from transactions between the Company, its Associate and Jointly Controlled Entity to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates and jointly controlled entity' Statement of Profit and Loss and through its reserves for the balance based on available information.When the Company's share of losses exceeds the carrying value of the investment in Associate or Joint Controlled Entiity, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Company has incurred obligations in respect of the Associate or Jointly Controlled Entity.

(c) Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

B.3 Summary of Significant Accounting Policies

(a) **Property, Plant and Equipment :**

Property, Plant and Equipment are stated at cost / deemed cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Depreciation on property, plant and equipment is provided to the extent of depreciable amount using Written Down Value Method (WDV) except as stated otherwise.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II;

Particulars	**Depreciation/Amortisation**
Leasehold Land	Over the period of Lease
Plant and Machinery and Jetties	Over the Useful Life of 10-24 years as technically assessed
Building constructed on leasehold land	Over the period of Lease or Useful life whichever is lower
Vehicles held under contractual arrangements	Over the period of contracts/arrangements

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

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss in the period of derecognition.

In case of jetties, the cumulative amortization for the original cost incurred at the end of any financial year is, the higher of cumulative depreciation provided as per Depreciation / Amortisation policy stated as above or cumulative rebate availed by the Company from Gujarat Maritime Board. Moreover depreciation / amortisation is provided upto the end of the specified period as mentioned above, and residual value is amortised in the year following the year in which such specified period is ended.

(b) **Finance Costs :**

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. 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.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

(c) **Inventories :**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including incidental expenses net of recoverable taxes and duties incurred in bringing them to their respective present location and condition.

Cost of inventories viz. stores and spares, trading and other items are determined on weighted average basis.

(d) **Cash and cash equivalents :**

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any as they are considered an integral part of the Company's cash management.

(e) **Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets :**

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

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

(f) **Leases :**

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

(g) **Provisions :**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

(h) **Intangible Assets :**

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets. Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised under straight line method over the period of useful lives.

(i) **Employee Benefits Expense :**

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective IT authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income. Remeasurements are not re-classified to Statement of Profit and Loss in subsequent periods.

(j) **Tax Expenses :**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income and equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

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

(k) **Foreign Currencies Transactions and Translation :**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e.,translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit or Loss are also recognised in OCI or Statement of Profit or Loss, respectively).

(l) **Revenue Recognition :**

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from the sale of goods is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

Contract Balances:

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

Contract Liabilities

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

Interest Income:

Interest Income from a financial asset is recognised using effective interest rate method.

(m) **Earnings per share :**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

(n) **Current and non-current classification :**

The Company presents assets and liabilities in Balance Sheet based on current and non-current classification.

An asset is treated as current when it is

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when

a) It is expected to be settled in normal operating cycle,

b) It is held primarily for the purpose of trading,

c) It is due to be settled within twelve months after the reporting period, or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its normal operating cycle. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(o) **Off-setting financial Instrument :**

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

Notes to Consolidated Financial Statements for the year ended 31st March 2021

(p) **Financial instruments :**

I. Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

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

b) Financial assets at fair value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Investment in Subsidiaries, Associates and Joint Venture / Jointly Controlled Entity

Investments in subsidiaries, associates and joint venture / jointly controlled entity are measured at FVTPL, except for those investments which the Company has elected to account for at Cost or at FVTOCI.

D. Other Equity Investments:

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in ‘Other Comprehensive Income’.

E. Impairment of financial assets

In accordance with Ind AS 109, the Company uses ‘Expected Credit Loss’ (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables, Company applies ‘simplified approach’ which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

II. Financial Liabilities

A. Initial recognition and measurement

Financial liabilities are recognized at fair value / amortised cost and in case of borrowings, net of directly attributable cost.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

B. Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the reporting date, the carrying amounts approximate fair value due to the short maturity of these instruments.

III. Derivative financial instruments and Hedge Accounting

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards and options to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

a. Cash flow hedge

The Company designates derivative contracts as cash flow hedges to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in Other Comprehensive Income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur,then the amount accumulated in cash flow hedging reserve is reclassified to the Statement of Profit and Loss.

b. Fair Value Hedge

The Company designates derivative contracts or non derivative financial assets/liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates and foreign exchange rates.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest rate method is used is amortised to Statement of Profit and Loss over the period of maturity.

IV. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(q) **Recent Accounting Pronouncements**

Proposed amendments to Indian Accounting Standards (Ind AS)

On June 18, 2021, Ministry of Corporate Affairs ("MCA") has issued Companies (Indian Accounting Standards) Amendment Rules, 2021 notifying amendments to certain existing Ind AS. These amendments have been made effective from the date of publication in the Official Gazette i.e. on 18th June, 2021. Certain such Ind AS which are relevant to companies operations are listed below :

Ind AS 101 - First-time Adoption of Indian Accounting Standards

Notes to Consolidated Financial Statements for the year ended 31st March 2021

Ind AS 107 - Financial Instruments: Disclosures

Ind AS 109 - Financial Instruments

Ind AS 111 - Joint Arrangement

Ind AS 115 - Revenue from Contracts with Customers

Ind AS 116 - Leases

Ind AS 1 - Presentation of Financial Statements

Ind AS 8 - Accounting Policies, Changes in Estimates and Errors

Ind AS 12 - Income Taxes

Ind AS 16 - Property, Plant and Equipments

Ind AS 27 - Separate Financial Statements

Ind AS 28 - Investments in Associates and Joint Ventures

Ind AS 34 - Interim Financial Reporting

Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

Ind AS 38 - Intangible Assets

On prima facie evaluation of the proposed amendments, the Company believes that they are not likely to have any material impact on its financial statements. There are amendments in various others Ind AS which have not been listed here since these are not relevant to the Company.

Proposed amendments to Schedule III

The Company is evaluating the effects of the amendments to Schedule III of the Companies Act, 2013 as notified by Ministry of Corporate Affairs (MCA) on 24th March 2021 which is effective from April 1, 2021 on disclosures to be made in financial statements of the forthcoming financial years.

C Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Depreciation/amortisation and useful lives of Property Plant and Equipment / Intangible Assets

Property, plant and equipment are depreciated/amortised over the estimated useful lives, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is revised if there are significant changes from previous estimates.

b. Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c. Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

d. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

e. Impairment of financial assets

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

f. Recognition Of Deferred Tax Assets And Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments

g. Fair Value Measurement

For estimates relating to fair value of financial instruments refer note 38 of financial statements.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

1. Property, Plant And Equipment, Capital Work-In-Progress And Intangible Assets **(Rs. in crore)**

Description	Gross Block				Depreciation				Net Block
	As at 01.04.2020	Additions/ Adjustments	Deductions / Adjustments	**As at 31.03.2021**	As at 01.04.2020	For the year	Deductions / Adjustments	**As at 31.03.2021**	**As at 31.03.2021**
Property, Plant and Equipment									
Own Assets :									
Land	333.08	-	-	**333.08**	-	-	-	-	**333.08**
Buildings	99.66	-	-	**99.66**	45.90	5.53	-	**51.43**	**48.23**
Plant and Machinery	3 438.65	1.30	-	**3 439.95**	2 323.32	205.69	-	**2 529.01**	**910.94**
Office Equipments	28.21	21.80	-	**50.01**	8.13	13.74	-	**21.87**	**28.14**
Furniture and Fixtures	86.77	3.67	-	**90.44**	65.18	7.88	-	**73.06**	**17.38**
Vehicles	4.82	1.67	1.85	**4.64**	4.16	0.26	1.82	**2.60**	**2.04**
Jetties (refer Note 1.1)	4 298.60	-	-	**4 298.60**	2 749.24	267.83	-	**3 017.07**	**1 281.53**
Right-of-Use Assets :									
Land	5.76	-	-	**5.76**	3.73	0.29	-	**4.02**	**1.74**
Assets subject to Operating Lease	7.16	-	-	**7.16**	4.74	2.19	-	**6.93**	**0.23**
Total (A)	**8 302.71**	**28.44**	**1.85**	**8 329.30**	**5 204.40**	**503.41**	**1.82**	**5 705.99**	**2 623.31**
Intangible Assets									
Computer Software*	1.76	-	-	**1.76**	1.56	0.04	-	**1.60**	**0.16**
Total (B)	**1.76**	-	-	**1.76**	**1.56**	**0.04**	-	**1.60**	**0.16**
Total (A) + (B)	**8 304.47**	**28.44**	**1.85**	**8 331.06**	**5 205.96**	**503.45**	**1.82**	**5 707.59**	**2 623.47**
Capital Work-in-Progress									**534.87**

* other than internally generated

1.1 The ownership of the Jetties vests with Gujarat Maritime Board (GMB). However, under the agreements with GMB, the Company has been permitted to use the same.

1.2 Capital Work-in-Progress includes Rs. 80.01 crore on account of cost of construction material at site.

1.3 Capital Work-in-Progress also includes Rs. 5.22 crore on account of interest and Rs. 0.26 crore on account of exchange fluctuation capitalised during the year respectively.

1.4 Buildings includes cost of shares in Co-operative Housing Societies of Rs. 1000.

1.5 For assets hypothecated/mortgaged as security - refer Note 18.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

(Rs. in crore)

	Particulars	Shares / Units	As at 31st March 2021 Amount
2.	**Non-Current Investments**		
A.	**Investments measured at Fair Value through Profit and Loss**		
	In Preference Shares of Others		
	Unquoted, Fully Paid Up		
	9% Non-Cumulative Redeemable Preference Shares of East West Pipeline Private Limited (formerly East West Pipeline Limited) of Rs. 10 each (Re. 1)	**50 00 00 000**	**0.00**
			0.00
	In Debentures of Others		
	Unquoted, Fully Paid Up		
	Zero Coupon Optionally Fully Convertible Debentures of Tiara Comtrade Private Limited of Rs. 100 each (Re. 1)	**99 75 000**	**0.00**
	Zero Coupon Optionally Fully Convertible Debentures of Xanti Commercial Private Limited of Rs. 100 each (Re. 1)	**3 02 10 000**	**0.00**
			0.00
	In Limited Liability Partnership (LLP)		
	Akshaj Enterprises LLP [Rs. 33,000/-]		**0.00**
			0.00
	Total of Investments measured at Fair Value through Profit and Loss		**0.00**
B.	**Investments measured at Cost**		
	In Associate		
	Redeemable Preference Shares of Jamnagar Utilities & Power Private Limited of Rs. 100 each	**50 00 00 000**	**5 000.00**
	In Jointly Controlled Entity		
	Other Investment		
	Amritkalash Commercial LLP		**0.75**
	Total of Investment measured at Cost		**5 000.75**
C.	**Investments measured at Fair Value through Other Comprehensive Income**		
	Investments in Units of Infrastructure Investment Trusts-Unquoted		
	Digital Fibre Infrastructure Trust of Rs. 100 each	**24 50 00 000**	**2 450.00**
	Total of Investments measured at Fair Value through Other Comprehensive Income		**2 450.00**
	Total Non-Current Investments		**7 450.75**
	Aggregate amount of quoted investments		-
	Market Value of quoted investments		-
	Aggregate amount of unquoted investments		**7 450.75**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

2.1 Category-wise Non-Current Investment

Financial assets measured at Fair Value through Profit and Loss	**0.00**
Financial assets measured at Cost	**5 000.75**
Financial assets measured at Fair Value through Other Comprehensive Income	**2 450.00**
	7 450.75

2.2 Investment in Jointly Controlled Entity alongwith proportion of ownership held and country of incorporation is given below :

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest
Amritkalash Commercial LLP	India	75.00%
Drishtimohan Commercial LLP	India	50.00%
Vaijayanti Commercial LLP	India	50.00%

(Rs. in crore)

3. Loans - Non Current Assets *(Unsecured and Considered Good)*	**As at 31st March 2021**
Loans and Advances to others	**20 000.00**
Loans and Advances to employees	**0.02**
Total	**20 000.02**

(Rs. in crore)

4. Other Non-Current - Financial Assets	**As at 31st March 2021**
Deposits	**0.67**
Total	**0.67**

(Rs. in crore)

5. Deferred Tax Assets (Net) **The movement on the deferred tax account is as follows:**	**As at 31st March 2021**
At the start of the year	**(63.43)**
Charge / (credit) to Statement of Profit and Loss (refer Note 14)	**286.48**
Charge / (credit) to Other Comprehensive Income	**123.99**
At the end of year	**347.04**

Component of Deferred tax (Assets) / Liabilities (Net)

	As at 31st March 2020	**Charge / (credit) to**		**As at 31st March 2021**
		Statement of Profit and Loss	**Other Comprehensive Income**	
Deferred tax (Assets) / Liabilities (Net) in relation to:				
Property, Plant and Equipment	460.42	(80.76)	-	**379.66**
Financial Instruments	(359.09)	319.86	123.98	**84.75**
Brought Forward Losses	(35.58)	35.58	-	-
Other Liabilities	(129.18)	11.81	-	**(117.37)**
Provisions	-	(0.01)	0.01	-
Total	(63.43)	286.48	123.99	**347.04**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

		(Rs. in crore)
6.	**Other Non - Current Assets** *(Unsecured and Considered Good)*	**As at 31st March 2021**
	Capital Advances	**8.37**
	Advance Income Tax (Net of Provision) (Refer Note 6.1)	**474.03**
	Total	**482.40**

		(Rs. in crore)
6.1	**Advance Income Tax (Net of Provision)**	**As at 31st March 2021**
	At beginning of the year	**1 074.88**
	Charge for the year	**(896.30)**
	Tax paid (net) during the year	**295.45**
	At the end of the year	**474.03**

		(Rs. in crore)
7.	**Inventories**	**As at 31st March 2021**
	Construction Materials, Stores, Spares and Consumables	**247.35**
	Total	**247.35**

		(Rs. in crore)
	Particulars	**As at 31st March 2021**
8.	**Current Investments**	
A	**Investments measured at Fair Value through Profit and Loss**	
	Investments in Units of Fixed Maturity Plan	
	Quoted, Fully Paid Up	**989.48**
	Investment In Mutual Fund	
	Unquoted	**3 699.60**
	Total of Investments measured at Fair Value through Profit and Loss	**4 689.08**
B.	**Investments measured at Cost**	
	In Limited Liability Partnership (LLP)	
	In Jointly Controlled Entity	
	Amritkalash Commercial LLP	**1 263.95**
	Total of Investment measured at Cost	**1 263.95**
	Total Current Investments	**5 953.03**
	Aggregate amount of quoted investments	**989.48**
	Market Value of quoted investments	**989.48**
	Aggregate amount of unquoted investments	**4 963.55**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

8.1 Category-wise Current Investment

Financial Assets measured at Fair Value through Profit and Loss	**4 689.08**
Financial Assets measured at Cost	**1 263.95**
Total Current Investments	**5 953.03**

(Rs. in crore)

9. Trade Receivables *(Unsecured and Considered Good)*	**As at 31st March 2021**
Trade receivables	**162.27**
Total	**162.27**

(Rs. in crore)

10. Cash and Cash Equivalents	**As at 31st March 2021**
Balances with Banks	**364.98**
Cheques in hand	**3.00**
Cash on hand	**0.01**
Cash and cash equivalents as per balance sheet	**367.99**
Cash and cash equivalents as per Cash Flow Statement	**367.99**

(Rs. in crore)

11. Other Bank Balances	**As at 31st March 2021**
Fixed deposits with banks *	**2.01**
Total	**2.01**

* includes Rs. 1.89 crore under lien.

(Rs. in crore)

12. Loans - Current Assets *(Unsecured and Considered Good)*		**As at 31st March 2021**
Loans and Advances to Related Party		**307.94**
Loans and Advances to Other Bodies Corporate and Others		**2 215.78**
Loans and Advances to employees		**0.14**
(Unsecured and Considered Doubtful)		
Loans and Advances to Other Bodies Corporate	**1.90**	
Less: Provision for doubtful Loans & Advances	**(1.90)**	-
Total		**2 523.86**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

13. Other Financial Assets - Current

		(Rs. in crore) As at 31st March 2021
Contract Receivables		**9.22**
Interest receivables	**28.42**	
Less: Provision for doubtful interest receivables	**(1.10)**	**27.32**
Deposits		**37.09**
Total		**73.63**

14. Taxation

	(Rs. in crore) As at 31st March 2021
Income tax recognised in Statement of Profit and Loss	
Current Tax (net of Income tax for earlier years)	**896.30**
Deferred tax	**286.48**
Total income tax expenses recognised in the current year	**1 182.78**

The income tax expenses for the year can be reconciled to the accounting profit as follows:

	(Rs. in crore) As at 31st March 2021
Profit before tax	**2 234.35**
Applicable Tax Rate	**25.1680%**
Computed Tax Expense	**562.34**
Tax effect of :	
Expenses disallowed	**429.53**
Fair Value Changes	**4.78**
Other allowances	**(100.35)**
Current Tax Provision (A)	**896.30**
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	**80.76**
Incremental / (Reversal) of Deferred Tax Asset / Liability on account of Financial Assets and Other Items	**205.72**
Deferred tax Provision (B)	**286.48**
Tax Expenses recognised in Statement of Profit and Loss (A+B)	**1 182.78**
Effective Tax Rate	**52.94%**

15. Other Current Assets

	(Rs. in crore) As at 31st March 2021
Balance with Government Authorities etc.	**7.40**
Deposits	**101.00**
Others *	**112.19**
Total	**220.59**

* includes prepaid expenses, advance to vendors, Goods & Service Tax and VAT refundable etc.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

(Rs. in crore)

		As at 31st March 2021	
		No. of Shares	Amount
16.	**Equity Share Capital**		
	Authorised Share Capital		
	Equity Shares of Re. 1 each	**5000 00 00 000**	**5 000.00**
	Preference Shares of Rs. 10 each	**250 00 00 000**	**2 500.00**
	Total		**7 500.00**
	Issued, Subscribed and Paid up Share Capital :		
	Equity Shares of Re. 1 each fully paid up	**275 00 00 000**	**275.00**
	Total		**275.00**

16.1 The details of shareholders holding more than 5% shares :

Name of the Shareholder	As at 31st March 2021	
	No. of Shares	% held
Equity Shares :		
Reliance Industries Holding Private Limited (Holding Company along with nominees)	**275 00 00 000**	**100.00**

16.2 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March 2021
	No. of Shares
Equity Shares :	
Equity Shares at the beginning of the year	**275 00 00 000**
Equity Shares at the end of the year	**275 00 00 000**

16.3 Rights and Restrictions to Equity Shares

The Equity Shares of the Company, rank pari passu in all respects including voting rights and entitlement to dividend. The holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(Rs. in crore)

		As at 31st March 2021
17.	**Other Equity**	
	Capital Reserve	
	As per last Balance Sheet	**705.75**
	Capital Redemption Reserve	
	As per last Balance Sheet	**4.41**
	Securities Premium	
	As per last Balance Sheet	**20 163.06**
	Debenture Redemption Reserve	
	As per last Balance Sheet	**1 439.50**
	Retained Earnings	
	As per last Balance Sheet	**(6 069.53)**
	Profit for the year	**1 051.57**
		(5 017.96)

Notes to Consolidated Financial Statements for the year ended 31st March 2021

Other Comprehensive Income (OCI)	
As per last Balance Sheet	**(838.30)**
Movement in OCI (Net) during the year	**368.65**
	(469.65)
Total	**16 825.11**

17.1 Nature and Purpose of Reserve :

(a) Capital Reserve (CR) is created pursuant to various Schemes of Amalgamations and / or Arrangements in current / earlier years. The CR will be utilised in accordance with the provisions of the Companies Act, 2013.

(b) Capital Redemption Reserve (CRR) was created by erstwhile Reliance Property Management Services Private Limited (amalgamated with the Company) against redemption of shares. The CRR will be utilised in accordance with the provisions of the Companies Act, 2013.

(c) Securities Premium (SP) represents aggregate of :- (i) amount received in excess of face value of shares issued by the Company including in respect of redeemable preference shares to the extent not recognised as borrowings (ii) amount adjusted pursuant to provisions of various Schemes of Amalgamations and / or Arrangements in earlier years. The balance lying in SP will be utilised in accordance with the provisions of the Companies Act, 2013.

(d) Debenture Redemption Reserve (DRR) is created pursuant to requirement of Companies Act, 2013 and rules framed thereunder till 31st March 2019. Balance available in DRR will be transferred to retained earnings / general reserve upon redemption of debentures issued by the Company from time to time.

17.2 In terms of the Companies (Share Capital and Debentures) Amendment, Rules 2019, Debenture Redemption Reserve (DRR) is not required to be created in the case of privately placed Debentures by listed companies. Accordingly, no amount is transferred to DRR during the financial year 2020-21. Balance in DRR already created till 31st March 2019 amounting to Rs. 1,439.50 crore remains unchanged.

(Rs. in crore)

		As at 31st March 2021	
18.	**Borrowings**	**Non-Current**	**Current**
	Secured - At amortised cost*		
	Non Convertible Debentures	**13 476.88**	**2 500.00**
	Term loan	**721.50**	**28.13**
	Unsecured - At amortised cost		
	Non Convertible Debentures	-	**2 500.00**
	Non-Cumulative Redeemable Preference shares (refer Note 18.1)	**529.30**	-
	Cumulative Redeemable Preference shares (refer Note 18.2)	**37.60**	-
	Total	**14 765.28**	**5 028.13**

* includes Rs. 23.49 crore as prepaid finance charges.

18.1 Non-Cumulative Redeemable Preference Shares represents the net present value of 10% Non-Cumulative Redeemable Preference Shares (Series 1 to 2) (RPS) being 94,00,000 shares of face value of Rs. 10/- each redeemable on 31st December, 2026 (Redemption Date) at a price of Rs. 1,000/- each including premium of Rs. 990/- per share aggregating to Rs. 940.00 crore comprising of face value of Rs. 9.40 crore and redemption premium of Rs. 930.60 crore. The Company has an option to redeem the outstanding RPS at any time prior to Redemption Date by giving 3 days prior notice to the holders of RPS. The RPS will carry a preferential right over the Equity Shares of the Company as regards payment of dividend and as regards repayment of capital in the event of winding up. The RPS carry voting rights prescribed under the provisions of the Companies Act, 2013.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

The details of Shareholders holding more than 5% shares :

Name of the Shareholders	As at 31st March 2021	
	No. of Shares	**% held**
Reliance Industries Holding Private Limited (Holding Company)	**38 00 000**	**40.43%**
Kankhal Trading LLP (entity over which Holding Company is having control)	**56 00 000**	**59.57%**

The reconciliation of the number of shares outstanding is set out below :

Particulars	**As at 31st March 2021**
Nos. of Shares	
RPS at the beginning of the year	**2 82 00 000**
RPS redeemed during the year	**1 88 00 000**
RPS at the end of the year	**94 00 000**

18.2 3,76,00,000 9% Cumulative Redeemable Preference Shares (Series I to IV) (CRPS) of face value of Rs. 10/- each fully paid up shall be redeemed at Rs. 10/- per share at any time, at the option of the Company, but not later than 14th October, 2025. The redemption shall be made in accordance with the applicable provisions of the Companies Act, 2013 and Articles of Association of the Company. The CRPS carry a preferential right vis-à-vis equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up. The CRPS are non-participating in the surplus funds/ surplus assets and profits, on winding up which may remain after the entire capital has been repaid. The CRPS carry voting rights prescribed under the provisions of the Companies Act, 2013.

The details of Shareholders holding more than 5% shares :

Name of the Shareholders	As at 31st March 2021	
	No. of Shares	**% held**
Reliance Industries Holding Private Limited (Holding Company)	**3 76 00 000**	**100.00%**

The reconciliation of the number of shares outstanding is set out below :

Particulars	**As at 31st March 2021 No. of Shares**
CRPS at the beginning of the year	**1 88 00 000**
CRPS issued during the year	**1 88 00 000**
CRPS at the end of the year	**3 76 00 000**

18.3 7.90% Secured Redeemable Non Convertible Debentures- PPD 7 aggregating Rs. 2,000.00 crore are redeemable at par on November 18, 2026. These Non Convertible Debentures are secured by;

(a) a pari passu charge by way of hypothecation over;

- i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company; and
- ii) movable assets consisting of current assets (including current investments), loans & advances and investment in redeemable securities of the Company and

(b) mortgage over a building (residential flat) owned by the Company situated at Kandivali, Mumbai.

18.4 7.95% Secured Redeemable Non Convertible Debentures- PPD 6 aggregating Rs. 2,000.00 crore are redeemable at par on October 28, 2026. These Non Convertible Debentures are secured by;

(a) a pari passu charge by way of hypothecation over;

- i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company;
- ii) movable assets consisting of current assets (including current investments), loans & advances and investment in redeemable securities of the Company and

(b) mortgage over a building (residential flat) owned by the Company situated at Kandivali, Mumbai.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

18.5 7.20% Secured Redeemable Non Convertible Debentures- PPD 11 aggregating Rs. 2,000.00 crore are redeemable at par on June 16, 2023. These Non Convertible Debentures are secured by;

(a) a pari passu charge by way of hypothecation over;

i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company; and

ii) movable assets consisting of current assets, (including current investments), loans & advances and identified investments of the Company; and

(b) a pari passu charge by way of mortgage on a specific immovable property of the Company

18.6 8.45% Secured Redeemable Non Convertible Debentures- PPD 5 aggregating Rs. 4,000.00 crore are redeemable at par on June 12, 2023. These Non Convertible Debentures are secured by;

(a) a pari passu charge by way of hypothecation over;

i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company;

ii) movable assets consisting of current assets (including current investments), loans & advances and investment in redeemable securities of the Company and

(b) mortgage over a building (residential flat) owned by the Company situated at Kandivali, Mumbai.

18.7 7.65% Secured Redeemable Non Convertible Debentures- PPD 10 aggregating Rs. 3,500.00 crore are redeemable at par on March 22, 2023. These debentures are secured by;

(a) a pari passu charge by way of hypothecation over;

i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company; and

ii) movable assets consisting of current assets (including current investments), loans & advances and identified investments of the Company; and

(b) a pari passu charge by way of mortgage on a specific immovable property of the Company

18.8 10.40% Secured Redeemable Non Convertible Debentures- PPD 4 aggregating Rs. 2,500.00 crore are redeemable at par on July 18, 2021. These Non Convertible Debentures are secured by;

a pari passu charge by way of hypothecation over;

i) all rights, title, interest, benefit, claims and demands in, to, or in respect of fixed assets of the Company;

ii) movable assets consisting of current assets (including current investments), loans & advances and investment in redeemable securities of the Company.

18.9 10.25% Unsecured Redeemable Non Convertible Debentures- PPD 9 amounting Rs. 2,500.00 crore are redeemable at par on August 21, 2021.

18.10 Secured Term Loan aggregating Rs. 750.00 crore is repayable between 1st July 2021 and 31st March 2026. This Term Loan is to be secured by first pari passu charge by way of hypothecation over all the movable (movable fixed assets; identified long term and short term investments, other current assets and loans & advances) assets of the Company, both present and future.

The loan carries interest @ RBI Repo rate + 3% Margin and is repayable as under;

Financial Year	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**
Rs. Crore	28.13	46.87	56.25	75.00	543.75

Notes to Consolidated Financial Statements for the year ended 31st March 2021

19. Other Financial Liabilities - Non Current

	(Rs. in crore) As at 31st March 2021
Security Deposits from Related Party (refer Note 33)	**583.66**
Fair Value of Derivative Instruments - Payable	**654.56**
Other Financial Liabilities	**3.98**
Total	**1 242.20**

20. Other Non - Current Liabilities

	(Rs. in crore) As at 31st March 2021
Income received in Advance from Related Party (refer Note 33)	**415.31**
Total	**415.31**

21. Borrowing (Current)

	(Rs. in crore) As at 31st March 2021
Unsecured - At amortised cost	
From Others	
Commercial Paper*	**498.76**
Total	**498.76**

*repayable on 26th April 2021

21.1 Maximum amount outstanding at any time during the year was Rs. 2,241.49 crore.

22. Trade Payables

	(Rs. in crore) As at 31st March 2021
Dues of Micro and Small Enterprises (refer Note 22.1)	**1.08**
Dues of Other than Micro and Small Enterprises	**96.44**
Total	**97.52**

22.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at 31st March 2021 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

Particulars	(Rs. in crore) As at 31st March 2021
(a) the principal amount and the interest due thereon (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;	-

Notes to Consolidated Financial Statements for the year ended 31st March 2021

(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.	-

(Rs. in crore)

23. Other Financial Liabilities - Current	**As at 31st March 2021**
Current maturities of Long Term Debt (refer Note 18 for other details)	**5 028.13**
Interest Accrued but Not Due on Borrowings	**860.80**
Creditors for Capital Expenditure*	**57.10**
Fair Value of Derivative Instruments - Payable	**125.56**
Lease Liabilities	**0.27**
Other Financial Liabilities	**3.98**
Total	**6 075.84**

* includes dues of Micro and Small Enterprises of Rs. 1.28 crore (refer Note 22.1)

(Rs. in crore)

24. Other Current Liabilities	**As at 31st March 2021**
Security Deposits	**0.76**
Income received in Advance from Related Party (refer Note 33)	**51.03**
Other Current Liabilities*	**49.04**
Total	**100.83**

* includes statutory dues, employee related liabilities and advances from customers etc.

(Rs. in crore)

25. Provisions - Current	**As at 31st March 2021**
Provisions for Superannuation / Gratuity / Leave Encashment	**0.02**
Total	**0.02**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

		(Rs. in crore)
26.	**Revenue from Operations:**	**2020-21**
	Sale of Services	
	Port Infrastructure Facilities	**3 806.17**
	Infrastructure Facilities in SEZ	**1.49**
	Construction, Engineering and Equipment Hiring	**88.21**
		3 895.87
	Sale of Traded Goods	**0.02**
		3 895.89
	Less: GST Recovered	**260.65**
	Total Operating Revenue	**3 635.24**
	Other Operating Revenue	**0.08**
	Total	**3 635.32**

		(Rs. in crore)
27.	**Other Income:**	**2020-21**
	Interest from	
	Financial Assets carried at Amortised Cost	**2 086.58**
	Investments at FVTOCI	**118.61**
	Others	**66.42**
		2 271.61
	Rent Income	**0.70**
		0.70
	Net Gain on Financial Assets	
	Gain on Sale / Transfer of Investments (net)	**199.70**
	Gain on Derivative Transactions (net)	**187.85**
		387.55
	Other Non Operating Income	**7.12**
		7.12
	Total	**2 666.98**

		(Rs. in crore)
		2020-21
28.	**Employee Benefits Expense**	
	Salaries and Wages	**25.87**
	Contribution to Provident and Other Funds	**1.78**
	Staff Welfare Expenses	**3.59**
	Total	**31.24**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

28.1 As per Indian Accounting Standard 19 "Employee Benefits", the disclosures as defined are given below :

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

(Rs. in crore)

Particulars	**2020-21**
Employer's Contribution to Provident Fund	**0.83**
Employer's Contribution to Superannuation Fund	**0.26**
Employer's Contribution to Pension Scheme	**0.44**

The Company's Provident Fund is exempted under Section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

Defined Benefit Plan

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

(Rs. in crore)

	Gratuity (Funded) 2020-21
Defined Benefit Obligation at beginning of the year	**4.11**
Current Service Cost	**0.31**
Interest Cost	**0.28**
Actuarial (Gain) / Loss	**(0.02)**
Benefits paid	**(0.61)**
Defined Benefit Obligation at year end	**4.07**

II) Reconciliation of opening and closing balances of fair value of Plan Assets

(Rs. in crore)

	Gratuity (Funded) 2020-21
Fair value of Plan Assets at beginning of the year	**4.94**
Expected Return on Plan Assets	**0.34**
Return on Plan Assets (Rs. 27,112)	**0.00**
Fair value of Plan Assets at year end	**5.28**

III) Reconciliation of fair value of Assets and Obligations

(Rs. in crore)

	Gratuity (Funded) As at 31st March 2021
Present value of Obligation	**4.07**
Fair value of Plan Assets	**5.28**
Amount recognised in Balance Sheet	**(1.21)**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

IV) Expenses recognised during the year

	(Rs. in crore)
	Gratuity (Funded)
	2020-21
In Income Statement	
Current Service Cost	**0.31**
Interest Cost	**0.28**
Expected Return on Plan Assets	**(0.34)**
Net Cost	**0.25**
In Other Comprehensive Income	
Actuarial (Gain) / Loss	**(0.02)**
Return on Plan Assets	**(0.00)**
Net (Income) / Expense For the year Recognised in OCI	**(0.02)**

V) Investment Details

	As at 31st March 2021	
	(Rs. in crore)	**% Invested**
Insurance Policies	**5.28**	**100**

VI) Actuarial assumptions

Mortality Table (IALM)	**Gratuity (Funded)**
	2020-21
	2006-08
	(Ultimate)
Discount Rate (per annum)	6.95%
Rate of escalation in Salary (per annum)	6.00%
Rate of employee turnover (per annum)	2.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets Management.

VII) The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2020-21.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

VIII) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period , while holding all other assumptions constant. The result of Sensitivity analysis is given below :

(Rs. in crore)

Particulars	As at 31st March 2021	
	Decrease	**Increase**
Change in discounting rate (delta effect of -/+ 0.5%)	**4.22**	**3.94**
Change in rate of salary increase (delta effect of +/- 0.5%)	**3.94**	**4.22**
Change in rate of employee turnover (delta effect of +/- 0.25%)	**4.07**	**4.08**
Mortality Rate (- / + 10% of mortality rates)	**4.08**	**4.08**

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

Investment Risk :- The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest Risk :- A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity Risk :- The present value of the defined benefit plan liability is calculated with reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk :- The present value of the defined plan liability is calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(Rs. in crore)

	2020-21
29. Finance Costs:	
Interest Costs* (refer Note 29.1)	**2 665.51**
Other Borrowing Costs	**0.15**
Total	**2 665.66**

29.1 During the year, the Company had redeemed 1,88,00,000 10% Non-Cumulative Redeemable Preference Shares (4 Series) of face value of Rs. 10 each at a premium of Rs. 990/- per share aggregating to Rs. 1,880.00 crore. Amount of Rs. 921.93 crore, net off pro-rata amount already provided out of profits of earlier years, was recognised as Interest Cost.

* includes Interest on Lease Liabilities Rs. 0.09 crore and Interest Costs are net of Interest Capitalised of Rs. 5.22 crore.

(Rs. in crore)

30. Depreciation and Amortisation Expense	**2020-21**
Depreciation and Amortisations (refer Note 1)	**503.45**
Total	**503.45**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

31. Other Expenses	(Rs. in crore) 2020-21
Port Infrastructure related Expenses	**357.59**
Contracts payments	**29.65**
Construction Materials, Stores, Spares and Consumables Consumed	**163.05**
Repairs to Plant and Machinery	**19.50**
Professional Fees	**30.52**
Insurance	**16.81**
Rent	**5.79**
Rates and Taxes	**2.61**
Repairs to Buildings	**0.25**
Repairs to Others	**47.67**
Payment to Auditors (refer Note 31.1)	**0.51**
General Expenses	**133.37**
Corporate Social Responsibility Expenditure / Charity and Donations (refer Note 31.2)	**30.23**
Net Loss / (Gain) on Foreign Currency Transactions and Translation	**6.27**
Provision for doubtful Loans and Interest receivables (refer Nore 12 & 13)	**3.00**
Bad debts write off	**1.77**
Changes in Fair Value of Financial Assets (net)	**18.96**
Loss on Sale of Property, Plant and Equipment	**0.03**
Total	**867.58**

31.1 Payment to Auditors as :	(Rs. in crore) 2020-21
Statutory Audit Fees	**0.50**
Certification Fee	**0.01**
Total	**0.51**

31.2 Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 30.21 crore.

(b) Expenditure related to Corporate Social Responsibility is Rs. 30.23 crore.

Details of Amount spent towards CSR given below:

Particulars	(Rs. in crore) 2020-21
Animal Welfare	**30.23**
Total	**30.23**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

32. Earnings Per Share (EPS)	**2020-21**
i) Net Profit after Tax as per Statement of Profit and Loss (Rs. in crore)	**1 051.57**
Less :- Dividend on 9% Cumulative Redeemable Preference Shares (CRPS)	**1.97**
Net Profit attributable to Equity Shareholders (Rs. in crore) (Used as Numerator for calculation)	**1 049.60**
ii) Weighted Average number of Equity Shares (Used as Denominator for calculation)	**275 00 00 000**
iii) Basic and Diluted Earnings Per Share of Re. 1/- each (In Rupees)	**3.82**

33. As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and also related parties with whom transactions have taken place and relationships :

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Holding Private Limited	Holding Company
2	Kankhal Trading LLP	Entity over which Holding Company is having control
3	EWPL Holdings Private Limited	Fellow Subsidiary
4	East West Pipeline Private Limited (Formerly East West Pipeline Limited)	Fellow Subsidiary
5	Antilia Commercial Private Limited	Fellow Subsidiary
6	Jamnagar Utilities & Power Private Limited	Fellow Subsidiary & Associate (from 22.12.2020)
7	Reliance Industries Limited	Associate
8	Amritkalash Commercial LLP	Jointly Controlled Entity
9	Drishtimohan Commercial LLP	Jointly Controlled Entity (from 17.03.2021)
10	Vaijayanti Commercial LLP	Jointly Controlled Entity (from 30.03.2021)
11	Shri M Sundar	Key Managerial Personnel
12	Shri Ritesh Shiyal	Key Managerial Personnel
13	Ms. Mohana V	Key Managerial Personnel
14	Reliance Ports And Terminals Limited Employees Provident Fund	Post Employment Benefits Plan
15	Reliance Ports And Terminals Limited Employees Superannuation Scheme	Post Employment Benefits Plan
16	Reliance Ports And Terminals Limited Employees Gratuity Fund	Post Employment Benefits Plan

Notes to Consolidated Financial Statements for the year ended 31st March 2021

(ii) Transactions during the year with Related Parties : **(Rs. in crore)**

Sr. No.	Nature of Transactions (Excluding reimbursements)	Holding Company	Subsidiaries	Fellow Subsidiaries / Entity over which Holding Company is having control	Associate /Jointly Controlled Entity	Fellow Subsidiary & Associate	Key Managerial Personnel	Post Employment Benefits Plan	Total
1	Proceeds from Borrowings - Cumulative Redeemable Preference Shares	**18.80**	-	-	-	-	-	-	**18.80**
2	Repayment of Borrowings - Non-Cumulative Redeemable Preference shares (including premium)	**760.00**	-	**1 120.00**	-	-	-	-	**1 880.00**
3	Purchase / Subscription of Investments	-	-	-	**2.95**	**5 000.00**	-	-	**5 002.95**
4	Loans and advances given / (returned) [net]	-	-	**87.51**	-	-	-	-	**87.51**
5	Sale of Services*	-	-	-	**3 385.91**	**0.62**	-	-	**3 386.53**
6	Billing for Salaries of KMP on Deputation*	**0.99**	-	-	-	**0.43**	-	-	**1.42**
7	Sale of Traded Goods / Scrap*	-	-	-	**0.02**	-	-	-	**0.02**
8	Lease Rent Expenses [Rs. 2,000/-]	-	-	-	**0.00**	-	-	-	**0.00**
9	Purchase including Construction Material, Stores, Spares and Consumables*	-	-	-	**0.65**	-	-	-	**0.65**
10	Payment to Key Managerial Personnel	-	-	-	-	-	**1.82**	-	**1.82**
11	Other Expenses*	-	-	-	**0.53**	-	-	-	**0.53**
12	Employee Benefits Expense	-	-	-	-	-	-	**3.05**	**3.05**

* including taxes, wherever applicable

(iii) Balances as at 31st March 2021 **(Rs. in crore)**

1	Equity Share Capital	**275.00**	-	-	-	-	-	-	**275.00**
2	Borrowings - Non-Cumulative Redeemable Preference shares[$]	**213.97**	-	**315.33**	-	-	-	-	**529.30**
3	Borrowings - Cumulative Redeemable Preference shares[$]	**37.60**	-	-	-	-	-	-	**37.60**
4	Investments [Re. 1/-] (refer Note 2 & 8)	-	-	**0.00**	**1 264.70**	**5 000.00**	-	-	**6 264.70**
5	Trade Receivable	**0.08**	-	-	**133.66**	**0.08**	-	-	**133.82**
6	Trade Payable	-	-	-	**0.36**	-	-	-	**0.36**
7	Security Deposits taken	-	-	-	**583.66**	-	-	-	**583.66**
8	Income received in Advance	-	-	-	**466.34**	-	-	-	**466.34**
9	Loans and Advances given	-	-	**307.94**	-	-	-	-	**307.94**

[$] refer Note 18 for redemption date(s)

Notes to Consolidated Financial Statements for the year ended 31st March 2021

Disclosure of material Related Party transactions (in respect of the parties and for the period during which the relationship exists) :

(Rs. in crore)

Particulars	**Relationship**	**2020-21**
Proceeds from Borrowings - Cumulative Redeemable Preference Shares		
Reliance Industries Holding Private Limited	Holding Company	**18.80**
Repayment of Borrowings - Non-Cumulative Redeemable Preference shares (including premium)		
Reliance Industries Holding Private Limited	Holding Company	**760.00**
Kankhal Trading LLP	Entity over which Holding Company is having control	**1 120.00**
Purchase / Subscription of Investments		
Amritkalash Commercial LLP	Jointly Controlled Entity	**2.95**
Jamnagar Utilities & Power Private Limited	Fellow Subsidiary & Associates	**5 000.00**
Loans and advances given / (returned) [net]		
East West Pipeline Private Limited	Fellow Subsidiary	**87.51**
Sale of Services		
Jamnagar Utilities & Power Private Limited	Fellow Subsidiary & Associates	**0.62**
Reliance Industries Limited	Associate	**3 385.91**
Billing for Salaries of KMP on Deputation		
Reliance Industries Holding Private Limited	Holding Company	**0.99**
Jamnagar Utilities & Power Private Limited	Fellow Subsidiary & Associates	**0.43**
Sale of Traded Goods / Scrap		
Reliance Industries Limited	Associate	**0.02**
Lease Rent Expenses		
Reliance Industries Limited [Rs. 2000/-]	Associate	**0.00**
Purchase including Construction Material, Stores, Spares and Consumables		
Reliance Industries Limited	Associate	**0.65**
Payment to Key Managerial Personnel		
Shri M Sundar*	Key Managerial Personnel	**0.41**
Shri Ritesh Shiyal	Key Managerial Personnel	**0.71**
Ms. Mohana V	Key Managerial Personnel	**0.70**
Other Expenses		
Reliance Industries Limited	Associate	**0.53**
Employee Benefits Expense		
Reliance Ports And Terminals Limited Employees Provident Fund	Post Employment Benefits Plan	**2.79**
Reliance Ports And Terminals Limited Employees Superannuation Scheme	Post Employment Benefits Plan	**0.26**

* Net off of Billing to Holding Company

Notes to Consolidated Financial Statements for the year ended 31st March 2021

Balances as at 31st March 2021 **(Rs. in crore)**

Particulars	**Relationship**	**As at 31st March 2021**
Security Deposits Taken *		
Reliance Industries Limited	Associate	**583.66**
Income received in Advance *		
Reliance Industries Limited	Associate	**466.34**
Loans - Current		
East West Pipeline Private Limited	Fellow Subsidiary	**307.94**

* received pursuant to the agreement and will remain valid till the period of the agreement.

All related party contracts / arrangements have been entered on arms' length basis.

33.1 Compensation of Key Managerial Personnel

The remuneration of key managerial personnel during the year was as follows:

(Rs. in crore)

	2020-21
(i) Short-Term Benefits	**1.76**
(ii) Post Employment Benefits	**0.06**
(iii) Other Long Term Benefits	-
(iv) Share Based Payments	-
(v) Termination Benefits	-
Total	**1.82**

34. Segment Information

The Company's operating segments are identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems established for evaluation by the Board of Directors of the Company (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance.

The Company has two principal operating and reporting segment i.e. Port Infrastructure and Investments.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting :

(a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

(b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related items and other Assets and Liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Notes to Consolidated Financial Statements for the year ended 31st March 2021

(i) **Primary Segment Information :** **(Rs. in crore)**

	Particulars	Port Infrastructure	Investment	Others	Unallocable	Total
		2020-2021	**2020-2021**	**2020-2021**	**2020-2021**	**2020-2021**
1	**Segment Revenue**					
	Sales and Service Income	**3 806.19**	-	**89.70**	-	**3 895.89**
	Gross Revenue	**3 806.19**	-	**89.70**	-	**3 895.89**
	Less: GST Recovered	**247.77**	-	**12.88**	-	**260.65**
	Add:- Other Operating Revenue	-	-	**0.08**	-	**0.08**
	Revenue from Operations*	**3 558.42**	-	**76.90**	-	**3 635.32**
	Add:- Interest Income	**0.00**	**2 205.41**	**0.02**	**66.18**	**2 271.61**
	Add:- Other Income	**2.01**	**204.70**	**0.11**	**188.55**	**395.37**
	Total Income	**3 560.43**	**2 410.11**	**77.03**	**254.73**	**6 302.30**
2	**Segment Result before Interest and Taxes**	**2 548.70**	**2 390.40**	**(213.56)**	**174.47**	**4 900.01**
	Less:- Finance Costs	-	-	-	**2 665.66**	**2 665.66**
	Profit before Tax	**2 548.70**	**2 390.40**	**(213.56)**	**(2 491.19)**	**2 234.35**
	Current Tax	-	-	-	**896.30**	**896.30**
	Deferred Tax	-	-	-	**286.48**	**286.48**
	Profit after Tax	**2 548.70**	**2 390.40**	**(213.56)**	**(3 673.97)**	**1 051.57**
3	**Other Information**					
	Segment Assets	**3 623.97**	**35 956.87**	**367.70**	**694.37**	**40 642.91**
	Segment Liabilities	**1 176.99**	-	**60.95**	**22 304.86**	**23 542.80**
	Capital Expenditure	**215.53**	-	**1.43**	**26.79**	**243.75**
	Depreciation and Amortisation Expenses	**434.12**	-	**40.84**	**28.49**	**503.45**

The reporting Segment is further described below :

- The Port Infrastructure segment includes operations related to evacuation of petroleum products and crude at port and infrastructure facilities at Jamnagar.
- The Investments segment representing investments, loans and advances and related financing activities.
- The businesses, which were not reportable segment during the year, have been grouped under "Others" segment. This mainly comprises of operations related to Construction & Engineering Services , Project Management Services, Plant and Equipment Hiring and Provision of Infrastructure Facilities as Co-Developer in Special Economic Zone.

(ii) **Secondary Segment Information (Geographical):**

Since the operations of the Company is predominantly conducted within India hence there are no separate reportable geographical segment.

* includes Rs. 3,196.68 crore derived from Reliance Industries Limited.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

35. Contingent Liabilities And Commitments

	(Rs. in crore)
	As at 31st March 2021
(I) **Contingent Liabilities** (to the extent not provided for)	
(a) Claims against the Company / disputed liabilities not acknowledged as debts *	**19.25**
(b) Performance Guarantee	**11.31**
* The Company has been advised that the claims are likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.	
(II) **Commitments**	
(a) Estimated amount of contracts remaining to be executed on capital accounts and not provided for in respect of Others	**69.75**
(b) Dividend to be paid on 9% Cumulative Redeemable Preference Shares (CRPS) being 3,76,00,000 shares of face value of Rs. 10/- each	**4.95**

36. Lease Disclosures

	(Rs. in crore)
	As at 31st March 2021
Lease Liabilities – Maturity Analysis	
Particulars	
Not later than 1 year	**0.27**
Later than 1 year and not later than 5 years	-
Total	**0.27**

37. Capital Management

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

a) Maintain financial strength to ensure AAA ratings.

b) Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.

c) Proactively manage exposure in forex and interest to mitigate risk to earnings.

d) Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

The gearing ratio at end of the reporting period was as follows :

	(Rs. in crore)
	As at 31st March 2021
Gross Debt	**20 292.17**
Cash and Marketable Securities (refer Note 2, 8 & 10)	**5 057.07**
Net Debt (A)	**15 235.10**
Total Equity (As per Balance Sheet) (B)	**17 100.11**
Net Gearing (A/B)	**89%**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

38. Financial Instruments

A. Fair Value Measurement Hierarchy : **(Rs. in crore)**

Particulars	**As at 31st March 2021**			
	Carrying Amount	**Level of input used in**		
		Level 1	**Level 2**	**Level 3**
Financial Assets				
At FVTPL				
Investments (Rs. 33,000)	**4 689.08**	**4 689.08**	**-**	**0.00**
At FVTOCI				
Investments	**2 450.00**	**-**	**2 450.00**	**-**
Financial Liabilities				
At FVTOCI				
Financial Derivatives	**780.12**	**-**	**780.12**	**-**

Above Investments excludes financial assets measured at Cost (refer Note 2 & 8).

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below :

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs based on unobservable market data.

Valuation Methodology

All Financial Instruments are initially recognized and subsequently re-measured at fair value as described below :

a) The fair value of investment in Fixed Maturity Plan, Mutual Funds, Bonds and Certificates of Deposit is measured at quoted price or NAV.

b) The fair value of Forward Foreign Exchange contracts and Currency Swaps is determined using forward exchange rates and yield curves at the balance sheet date.

c) The fair value for level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

d) The fair value of the remaining financial instruments is determined using discounted cash flow analysis or other suitable valuation model.

e) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

f) Fair values of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, borrowings, trade payables and other financial liabilities are approximate at their carrying amounts.

B. Financial Risk Management

The different types of risks the Company is exposed to are market risk, credit risk and liquidity risk. The Company uses derivative financial instruments such as forwards, options and currency swap contracts to minimise any adverse effect on its financial performance. All such activities are undertaken within an approved Risk Management Policy framework.

i) Market Risk

a) Foreign Currency Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

The following table shows foreign currency exposures in USD, EUR and GBP on financial instruments at the end of the reporting period. The exposure to foreign currency for all other currencies are not material.

Foreign Currency Exposure **(Rs. in crore)**

Particulars	**As at 31st March 2021**		
	USD	**EUR**	**GBP**
Trade and Other Payables	**49.54**	**0.35**	**0.01**
Trade and Other Receivables	**(449.83)**	**(7.18)**	**(4.05)**
Derivatives			
Currency Swap (Nominal Value)	**6 154.45**	**-**	**-**
Net Exposure	**5 754.16**	**(6.83)**	**(4.04)**

The net exposures have natural hedges in the form of future foreign currency earnings and earnings linked to foreign currency for which the Company follows hedge accounting.

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges

Foreign Currency Sensitivity **(Rs. in crore)**

Particulars	**As at 31st March 2021**		
	USD	**EUR**	**GBP**
1% Depreciation in INR			
Impact on Equity	**(56.07)**	**-**	**-**
Impact on P&L	**(1.47)**	**0.07**	**0.04**
Total	**(57.54)**	**0.07**	**0.04**
1% Appreciation in INR			
Impact on Equity	**56.07**	**-**	**-**
Impact on P&L	**1.47**	**(0.07)**	**(0.04)**
Total	**57.54**	**(0.07)**	**(0.04)**

b) Interest Rate Risk

The exposure of the Company's borrowing and derivatives to interest rate changes at the end of the reporting period are as follows :

Interest Rate Exposure **(Rs. in crore)**

Particulars	**As at 31st March 2021**
Loans - Long Term	
Floating Loan	**749.63**
Fixed Loan	**19 043.78**
Total	**19 793.41**
Loans - Short Term	
Floating Loan	**-**
Fixed Loan	**498.76**
Total	**498.76**
Derivatives (Nominal Value)	
Currency Swap-Floating Interest	**994.15**
Currency Swap-Fixed Interest	**5 160.30**
Total	**6 154.45**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

Impact on Interest Expenses for the year on 1% change in Interest rate

Interest rate Sensitivity **(Rs. in crore)**

Particulars	As at 31st March 2021	
	Up Move	**Down Move**
Impact on P&L	**(17.44)**	**17.44**
Total	**(17.44)**	**17.44**

ii) Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from Company's activities in investments, dealing in derivatives and receivables from customers. A significant portion of service revenue of the Company is derived from a single customer enjoying highest credit rating. Apart from this, Company ensures that services / sales to other customers are having appropriate creditworthiness. The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk is actively managed through security deposits, Letters of Credit, bank and corporate guarantees and advance payments.

iii) Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The Company maintains sufficient stock of cash, marketable securities and committed credit facilities. The Company accesses global and local financial markets to meet its liquidity requirements. It uses a range of products and a mix of currencies to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of the Company's cash flow position and ensures that the Company is able to meet its financial obligation at all times including contingencies.

The Company's liquidity is managed centrally with operating units forecasting their cash and liquidity requirements. Treasury pools the cash surpluses from across the different operating units and then arranges to either fund the net deficit or invest the net surplus in the market.

Maturity Profile as on 31st March 2021 **(Rs. in crore)**

Particulars	Below 3 Months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Total
Borrowings*							
Non-Current	-	5 009.38	18.75	9 603.12	656.35	4 529.30	**19 816.90**
Current	498.76	-	-	-	-	-	**498.76**
Total Borrowings	**498.76**	**5 009.38**	**18.75**	**9 603.12**	**656.35**	**4 529.30**	**20 315.66**
Derivative Liabilities (Nominal Value)							
Currency Swap	378.55	314.55	565.10	3 410.25	1 271.00	215.00	**6 154.45**
Total Derivative Liabilities	**378.55**	**314.55**	**565.10**	**3 410.25**	**1 271.00**	**215.00**	**6 154.45**

* excluding Rs. 23.49 crore as prepaid finance charges

C. Hedge Accounting

The Company's business objective includes safe-guarding its earnings and foreign currency liabilities against adverse price movements of foreign exchange rates. The Company has adopted a structured risk management policy to hedge all this risk within an acceptable risk limit and an approved hedge accounting framework which allows for Cash Flow hedges. Hedging instruments include forward and options as well as non derivative instruments to achieve this objective. The table below shows the position of hedging instruments and hedged items as of the balance sheet date.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

Disclosure of effects of Hedge Accounting

(i) Cash Flow Hedge

Hedging Instrument **(Rs. in crore)**

Type of Hedge and Risks	Nominal Value	Carrying Amount		Changes in FV	Hedge Maturity Date	Line Item in Balance Sheet
		Assets	Liabilities			
As at 31st March 2021						
Foreign currency risk						
Derivatives - Currency Swap	6 154.45	-	780.12	(780.12)	April 2021 to July 2026	Non Current Liabilities - Other Financial Liabilities (refer Note 19) & Current Liabilities-Other Financial Liabilities (refer Note 23)

(ii) Hedging Items **(Rs. in crore)**

Particulars	Nominal Value	Changes in FV	Hedge Reserve	Line Item in Balance Sheet
As at 31st March 2021				
Foreign currency risk				
Highly Probable Revenues	6 154.45	(780.12)	(780.12)	Other Equity

(iii) Movement in cash flow hedge **(Rs. in crore)**

Particulars	2020-21	Line Item in Statement of Profit and Loss
At the beginning of the year	**(1 298.56)**	
Gain / (loss) recognized in Other Comprehensive Income during the year	**655.40**	Items that will be reclassified to Statement of Profit and Loss - Cash Flow Hedge
Hedge ineffectiveness recognized in Statement of Profit and Loss	**25.82**	Other Income - Income on Derivate Transactions
Amount reclassified to Statement of Profit and Loss during the year	**(162.78)**	Items that will be reclassified to Statement of Profit and Loss - Cash Flow Hedge
At the end of the year	**(780.12)**	

D. Off-setting financial Instrument

Financial assets and Financial liabilities amounting to Rs. 133.67 crore, where Company intends to realise the asset and settle the liability simultaneously, are offset against each other in accordance with Ind AS 1.

Notes to Consolidated Financial Statements for the year ended 31st March 2021

39. (a) Enteprises Consolidated as Associate and Jointly Controlled Entity in this consolidated financial statements in accordance with Indian Accounting Standard 28 - Investments in Associates and Joint Ventures.

Name of Enterprise	**Country of Incorporation**	**Principal Activities**	**Proportion of equity interest As at 31st March 2021**
Jamnagar Utilities & Power Private Limited*	India	Generation of Power and Investment Activities	-
Amritkalash Commercial LLP	India	Trading, Commission Agent and Holding of Investments	75%

*During the year, the Company has subscribed to redeemable preference shares aggregating to Rs. 5,000.00 crore issued by JUPL. In terms of the issue of preference shares, SPTL has ability to nominate a director on Board of JUPL. Accordingly, JUPL has become an Associate of the Company in terms of Ind AS 28 - Investments in Associates and Joint Ventures. However the proportion of equity interest of the Company in JUPL is Nil.

(b) The Company did not have any subsidiaries or associates during the previous year 2019-20, hence it was not required to prepare its consolidated financial statements for the previous year 2019-20. Accordingly, figures for previous year are not reported.

40. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprise consolidated as Associate and Jointly Controlled Entity :-

Name of the Enterprise	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs. In crore)	As % of consolidated Profit or Loss	Amount (Rs. In crore)	As % of Consolidated Other Comprehensive Income	Amount (Rs. In crore)	As % of Consolidated Total Comprehensive Income	Amount (Rs. In crore)
Parent								
Sikka Ports & Terminals Limited (excluding Investment in Associate and Jointly Controlled Entity)	63.36	10 835.41	100.00	1 051.57	100.00	368.65	100.00	1 420.22
Associate								
Jamnagar Utilities & Power Private Limited (accounting using equity method)	29.24	5 000.00	-	-	-	-	-	-
Jointly Controlled Entity								
Amritkalash Commercial LLP (accounting using equity method)	7.40	1 264.70	-	-	-	-	-	-
Total	**100.00**	**17 100.11**	**100.00**	**1051.57**	**100.00**	**368.65**	**100.00**	**1 420.22**

Notes to Consolidated Financial Statements for the year ended 31st March 2021

41. Investment in an Associates

The summarised financial information of the Company's investment in JUPPL is as follows:

Summarised Financial Information for Associate:

(Rs. in crore)

Summarised Balance Sheet	**JUPPL** **As at** **31st March 2021**
Current Assets	**16 880.41**
Current Liabilities	**2 871.68**
Net Current Assets	**14 008.73**
Non-Current Assets	**15 948.65**
Non-Current Liabilities	**12 352.33**
Net Non-Current Assets	**3 596.32**
Net Assets	**17 605.05**

(Rs. in crore)

Reconciliation to Carrying Amounts	**JUPPL** **As at** **31st March 2021**
Opening Net Assets	**15 328.51**
Profit/(Loss) for the Year	**2 209.31**
Other Comprehensive Income	**67.23**
Closing Net Assets	**17 605.05**
Company's share in % (refer note 39(a))	-
Company's share in Rs.	-
Add : Investment in Preferance shares	**5 000.00**
Carrying amount of Investment	**5 000.00**

(Rs. in crore)

Summarised Statement of Profit and Loss	**2020-21**
Net Profit for the Year	**2 209.31**
Other Comprehensive Income	**67.23**
Total Comprehensive Income	**2 276.54**
Company's share of Profit in Associate (refer note 39(a))	-

42. Investment in Jointly Controlled Entity

The summarised financial information of the Company's investment in Amritkalash Commercial LLP is as follows:

Summarised Financial Information for Jointly Controlled Entity :

(Rs. in crore)

Summarised Balance Sheet	**Amritkalash Commercial LLP As at 31st March 2021**
Current Assets	**1 581.27**
Current Liabilities	**0.03**
Net Current Assets	**1 581.24**
Non-Current Assets	-
Non-Current Liabilities	-
Net Non-Current Assets	-
Partner's Contribution by other Entity	**(316.29)**
Partner's Contribution by SPTL	**(1 263.95)**
Net Assets	**1.00**

(Rs. in crore)

Reconciliation to Carrying Amounts	**Amritkalash Commercial LLP As at 31st March 2021**
Opening Net Assets	**1.00**
Profit/(Loss) for the Year	-
Other Comprehensive Income	-
Less : Transferred to Retiring Partners	-
Closing Net Assets	**1.00**
Company's share in %	**75.00%**
Company's share in Rs.	**0.75**
Partner's Contribution by SPTL	**1 263.95**
Total Company's share in Rs.	**1 264.70**

Summarised Statement of Profit and Loss	**2020-21**
Net Profit for the Year	-
Other Comprehensive Income	-
Total Comprehensive Income	-

43. The Company is engaged in the business of providing infrastructural facilities as defined under explanation to section 186 of the Companies Act, 2013 and hence provisions of section 186 of the Companies Act, 2013 are not applicable to the Company.

44. The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has evaluated impact of COVID-19 and there has been no significant impact on its major business operations. The Company has taken into account the impact of COVID-19 wherever applicable in preparation of the audited consolidated financial results, including its assessment of recoverable value of its assets based on internal and external information upto the date of approval of these audited consolidated financial statement.

45. Approval of Financial Statements

The Consolidated Financial Statements were approved for issue by the Board of Directors on 21st June, 2021.

Annexure "A"

Salient Features of Financial Statements of Associate and Jointly Controlled Entity as per Companies Act, 2013

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate and Jointly Controlled Entity

Name of Associate / Joint Controlled Entity	Latest Balance Sheet Date	The date which the Associate or Jointly Controlled Entity was associated	Shares of Associates / Jointly Controlled Entity held by the Company on the year end			Net-worth attributable to Shareholding as per latest Balance Sheet (Rs. in crore)	Profit / (Loss) for the year		Description of how there is Significant Influence	Reason why the Associate / Jointly Controlled Entiy is not consolidated
			No.	Amount of Investment in Associate / Joint Controlled Entity (Rs. in crore)	Extent of Holding %		Considered in Consolidation (Rs. in crore)	Not Considered in Consolidation (Rs. in crore)		
Jamnagar Utilities & Power Private Limited	31.03.2021	22.12.2020	50 00 00 000	5000.00	-	-	-	-	Refer Note below	-
Amritkalash Commercial LLP (ACL)#	31.03.2021	27.12.2019	-	0.75	75.00%	1.00	-	-	Refer Note below	-

Share held by the Company on the year end as well as Net-worth Attributable to Shareholding as per the latest Balance Sheet does not include Partner's Contribution by SPTL.

Note : There is significant influence due to percentage (%) of Share Capital in JUPPL and Partner's Share of Profit in ACL.

The above statement also indicates performance and financial position of each of the Associate and Jointly Controlled Entity.

As per our Report of even date
For D T S & Associates LLP
Chartered Accountants
(Registration No.142412W / W100595)

Ashish G. Mistry
Partner
Membership No. 132639
Date : 21st June, 2021

For and on behalf of the Board

Sanjeev Dandekar Director

Y B Prasad Director

Natarajan T G Director

S. Anantharaman Director

M Sundar Manager

Ritesh Shiyal Chief Financial Officer

Mohana V Company Secretary