

Sikka Ports & Terminals Limited

Annual Report 2019-20

Corporate Identity 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 K. R. Raja : Director
Shri Y. B. Prasad : Director
Shri Natarajan T. G. : Independent Director
Shri S. Anantharaman : Independent Director
Ms. Geeta Fulwadaya : 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 4067161700

BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present the Company's Twenty Fourth Annual Report and the Company's audited financial statement for the financial year ended March 31, 2020.

Financial Results

The Company's financial performance for the year ended March 31, 2020 is summarised below:

(Rs. in crore)

	2019-20	2018-19
Revenue from Operations	4005.45	3771.54
Other Income	2198.92	3504.96
Profit before Interest, Tax and Depreciation	2580.64	2886.37
Profit before Tax	592.32	181.08
Less: Current Tax	236.00	720.50
Deferred Tax	917.72	(653.04)
Profit / (Loss) for the year	(561.40)	113.62
Add: Other Comprehensive Income / (Loss) (OCI)	(640.59)	(370.40)
Total Comprehensive Income / (Loss) for the year	(1201.99)	(256.78)
Add: Opening Balance in Retained Earnings and OCI (Adjusted)	(5705.84)	(5,339.06)
Less: Appropriation		
Transferred to Debenture Redemption Reserve	-	110.00
Closing Balance (including Other Comprehensive Income)	(6,907.83)	(5,705.84)

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, 1,529 vessels were handled at the port facilities of the Company with over 124 million tonnes of crude, petroleum and petrochemical products.

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 29 lakh working hours during the year under review. The Company has also handled over 1.81 lakh metric tonnes of cargo in Special Economic Zone area at Jamnagar.

Material changes and commitments affecting the Company

Material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report are given below.

GLOBAL PANDEMIC – COVID-19: The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time.

Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

The Company has evaluated impact of COVID-19 on its business operations and based on its review no significant impact on its financial statements is envisaged.

In assessing the recoverability of Company's assets such as investments, loans, intangible assets, Goodwill, Trade receivable etc. the Company has considered internal and external information. The Company has performed sensitivity analysis on the assumptions used basis the internal and external information / indicators of future economic conditions and the Company expects to recover the carrying amount of the assets.

Dividend

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

Subsidiary, Joint Venture and Associate Company

During the year under review, EWPL Holdings Private Limited (EHPL) (formerly Reliance Utilities Private Limited) and East West Pipeline Private Limited (formerly East West Pipeline Limited) ceased to be subsidiary companies of the Company and

have become fellow subsidiaries of the Company. No company has become Company's subsidiary during the year under review. No company has become or ceased to be the Company's associate or joint venture company during the year under review.

During the year under review, the Company has become partner of Amritkalash Commercial LLP with 75% share in profit and loss. Jamnagar Utilities & Power Private Limited, fellow subsidiary of the Company holds the balance 25% share.

The audited financial statement of the Company and all other documents required to be attached thereto is put up on the Company's website and can be accessed at www.sptl.co.in.

Issue and allotment of Debentures

During the year under review, the Company has issued and allotted 35,000 7.65% Secured Redeemable Non-Convertible Debentures of the face value of Rs. 10,00,000/- each aggregating to Rs. 3,500 crore (Rupees Three Thousand Five Hundred Crore only) on a private placement basis in compliance with the applicable provisions of the Companies Act, 2013 (the "Act") and rules made thereunder. The said Debentures are listed on the Wholesale Debt Market Segment of BSE Limited.

Directors' Responsibility Statement

The Board of Directors state that:

- (a) in the preparation of the annual accounts for the year ended March 31, 2020, 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, 2020 and of the loss 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 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 www.sptl.co.in.

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

During the year, the Company has spent Rs. 33.85 crore (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 K. R. Raja (DIN: 00006673) 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 M Sundar has been appointed as the Manager of the Company to hold office for a period from April 1, 2019 to December 31, 2020. During the year under review, there was no change in the Key Managerial Personnel of the Company.

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

The following policies of the Company are annexed herewith and marked as **Annexure II A** and **Annexure II B**:

- a) Policy for Appointment of Directors and criteria for determining Directors' independence; and
- b) Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

The aforesaid policies are put up on the Company's website and can be accessed at www.sptl.co.in.

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 (NRC), 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 2019-20. The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith and marked as **Annexure III** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Disclosures

Meetings of the Board

5 (Five) meetings of the Board of Directors were held during the financial year 2019-20.

Audit Committee

The Audit Committee of the Company comprises Shri K. R. Raja (Chairman) (DIN: 00006673), Shri S. Anantharaman (DIN: 00178723) and Shri Natarajan T. G. (DIN: 00013939) 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 2019-20.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Company comprises Shri K. R. Raja (Chairman), Shri S. Anantharaman, Shri Natarajan T. G. and Shri Y. B. Prasad (DIN: 06526111) 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 2019-20.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company comprises of Shri K. R. Raja (Chairman) and Shri S. Anantharaman, Shri Natarajan T. G. and Shri Y.B. Prasad as members.

1 (One) meeting of the Nomination and Remuneration Committee of the Board of Directors of the Company was held during the financial year 2019-20.

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 www.sptl.co.in.

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. 2,254.06 crore
Foreign Exchange outgo in terms of actual outflows	- Rs. 183.69 crore

Annual Return

The Annual Return of the Company as on March 31, 2019 and the extract of the Annual Return of the Company as on March 31, 2020 is available on the website of the Company at www.sptl.co.in.

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

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions or applicability on these items 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.

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

K. R. Raja
Director
(DIN: 00006673)
Place: Mumbai

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

Date: June 4, 2020

ANNEXURE I

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2019-20

1.	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs	Corporate Social Responsibility Policy is attached as Annexure A. Web-link to the CSR Policy: http://www.sptl.co.in/pdf/sptl-csr-policy.pdf
2.	The composition of the CSR Committee	Composition of Corporate Social Responsibility Committee is given under the heading "Disclosures" in the Board's Report.
3.	Average net profit of the Company for last three financial years	Rs. 1691,90,62,088
4.	Prescribed CSR expenditure (two percent of the amount mentioned in item 3 above)	Rs. 33,83,81,242
5.	Details of CSR spent during the financial year:	
	(a) Total amount to be spent for the financial year	Rs. 33,83,81,242
	(b) Total amount spent during the year	Rs. 33,85,00,000
	(c) Amount unspent, if any	Nil
	(d) Manner in which the amount spent during the financial year	Refer Annexure B

Responsibility Statement

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company, is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and Policy of the Company.'

K.R. Raja
Chairman, CSR Committee
(DIN: 00006673)
Place: Mumbai

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

Date: June 4, 2020

ANNEXURE A

Corporate Social Responsibility Policy

1. Policy Statement

- 1.1 Sikka Ports & Terminals Limited (“the Company” or SPTL) believes that Corporate Social Responsibility (“CSR”) extends beyond the ambit of business and should focus on a broad portfolio of assets - human, physical, environmental and social.
- 1.2 This Policy is framed pursuant to the provisions of Section 135 of the Companies Act, 2013.

2. CSR Vision

Promote sustainable and inclusive development as a responsible corporate citizen.

3. CSR Objective

Promote a comprehensive and integrated development through social and economic transformation.

4. Core CSR Commitments (Programs / Activities)

- Addressing identified needs of the underprivileged through initiatives directed towards
 - o improving livelihood,
 - o alleviating poverty,
 - o promoting education,
 - o empowerment through vocational skills and
 - o promoting health and well-being.
- Preserve, protect and promote art, culture and heritage
 - o promoting India’s art, culture and heritage,
 - o conducting promotional and developmental activities / programs.
- Ensuring environmental sustainability, ecological balance and protection of flora and fauna
 - o conducting activities which promote biodiversity,
 - o conducting activities which promote ecological sustainability.
- Any other activity falling within the scope of Schedule VII of the Companies Act, 2013 which would enable the Company to achieve its CSR objectives.

The CSR programs / activities of the Company, as above, are related / will relate to the activities included in Schedule VII of the Companies Act, 2013.

5. CSR Governance and Implementation

The Company would be carrying on its CSR programs / activities directly or through:

- 5.1 Any other company established under section 8 of the Companies Act, 2013 (or erstwhile Section 25 company) or a registered trust or a registered society,

established by the company, either singly or alongwith any other company or

- 5.2 A company established under section 8 of the Companies Act, 2013 or a registered trust or a registered society, established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature or
- 5.3 Reliance Foundation or any other Company established under section 8 of the Companies Act, 2013 (or erstwhile Section 25 company) or a registered trust or a registered society with a track record of at least three years in carrying out activities in related areas.

SPTL may also collaborate with other companies or institutions for undertaking projects or programs for CSR activities.

Contributions made by the Company to Reliance Foundation/ or other eligible entities will be utilized for CSR programs / activities on behalf of the Company.

To provide an impetus to various philanthropic initiatives, Reliance Foundation (RF) was set up by Reliance Group in 2010 as an expression of its vision towards sustainable growth in India.

Reliance Foundation has taken the path of inclusive development to address the basic needs of the vulnerable sections of the society. The Foundation has cumulatively touched the lives of 4 million people in over 5000 villages and various urban locations. The Foundation works with some of the most vulnerable and marginalized communities across India, with the objective of integrating them into mainstream development process of the country.

Reliance Foundation focuses on these core pillars - Rural Transformation, Education, Health, Urban Renewal and Arts, Culture & Heritage.

In view of the organization structure, reach and expertise of Reliance Foundation in CSR related programs / activities, the Company may carry on its most of the CSR programs / activities through Reliance Foundation.

6. Monitoring of CSR Activities

The CSR Committee of Directors of the Company will recommend to the Board of Directors of the Company the amount of expenditure to be incurred on CSR programs/ activities, monitor the CSR Policy of the Company and review its implementation by the Company.

7. CSR Reporting and Communication

The Company will report on the progress of its CSR initiatives in its Annual Report.

8. Corporate Social Responsibility Committee (CSR Committee)

- The Board of Directors will constitute a CSR Committee comprising atleast three members with atleast one Independent Director.
- The CSR Committee would formulate and recommend the draft CSR Policy to the Board of Directors and the Board of Directors would approve the Policy.
- The Board would approve and adopt any changes in the CSR Policy subject to prevailing provisions of laws in this regard. The CSR Committee is responsible for decision making with respect to the CSR Policy.
- CSR Committee will meet as and when necessary to review and monitor the implementation of CSR programs /activities of the Company.

9. Budget

- The Board shall ensure that a minimum of 2% of the average net profits of the Company of the last 3 years is spent on the CSR programs / activities of the Company.
- In case at least 2% of the average net profits of the Company of the last 3 years is not spent in a financial year, reasons for the same shall be specified in the Board's report.
- All expenditure towards the CSR programs / activities will be diligently documented.
- Any surplus generated out of the CSR programs / activities of the Company will not be added to the normal business profits of the Company.

(This Policy was approved by the Board of Directors at its meeting held on November 14, 2014)

(This Policy was amended by the Board of Directors at its meeting held on March 6, 2017)

ANNEXURE B**Details of amount spent on Corporate Social Responsibility activities during the Financial Year 2019-20**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the project is covered (Clause number of Schedule VII to the Companies Act, 2013, as amended)	Projects or Programmes 1) Local Area or Other 2) Specify the State and district where Projects or Programmes were undertaken	Amount Outlay (Budget) Project or Programme - wise (Rs.)	Amount spent on the Projects or Programmes:Sub Heads (1) Direct Expenditure on Projects or Programmes (2) Overheads (Rs.)	Cumulative Expenditure upto the reporting period i.e. FY 2019-20 (Rs.)	Amount Spent (Direct or through Implementing Agency)
1	Animal Welfare	Clause (iv) - Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.	1. Maharashtra - District - Mumbai 2. Gujarat - District - Jamnagar	5 53 811	5 53 811	20 35 53 811	Implementing Agency - Reliance Foundation*
2	Rural Transformation - RF Bharat India Jodo - "Enhancing Rural Livelihoods"	Clause (x) Rural Development Projects; Clause (i) eradicating hunger, poverty and malnutrition, Clause (iv) ensuring environmental sustainability	1. Andhra Pradesh - District - Kurnool 2. Madhya Pradesh - District - Mandla	-	-	12 60 00 000	
3	Education - Partnerships with Non-Government Organisations	Clause (ii) Promoting Education	1. Uttarakhand - District Uttarakhand 2. Gujarat - District - Vadodara	7 74 10 000	7 74 10 000	7 74 10 000	
4	Community Development	Clause (j) Promoting health care including preventive health care Clause (ii) Promoting education Clause (x) Rural Development Projects	1. Andhra Pradesh - District - East Godavari 2. Gujarat - District - Bharuch, Surat 3. Madhya Pradesh - District - Shahdol 4. Maharashtra - District - Mumbai, Palghar	24 47 698	24 47 698	24 47 698	
5	Partnership with Non-Government Organizations	Clause (ii) Promoting Education	Maharashtra - District - Mumbai	3 01 53 082	3 01 53 082	3 01 53 082	

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the project is covered (Clause number of Schedule VII to the Companies Act, 2013, as amended)	Projects or Programmes 1) Local Area or Other 2) Specify the State and district where Projects or Programmes were undertaken	Amount Outlay (Budget) Project or Programme - wise (Rs.)	Amount spent on the Projects or Programmes: Sub Heads (1) Direct Expenditure on Projects or Programmes (2) Overheads (Rs.)	Cumulative Expenditure upto the reporting period i.e. FY 2019-20 (Rs.)	Amount Spent (Direct or through Implementing Agency)
6	Support to Preventive Healthcare Facilities	Clause (i) Promoting Health Care including preventive Health Care	Maharashtra - District - Mumbai	15 10 47 000	15 10 47 000	15 10 47 000	
7	Rural Transformation - Partnership with Non- Government Organisations	Clause (i) Eradicating hunger, poverty and malnutrition Clause (iv) Ensuring environmental sustainability Clause (x) Rural Development Projects	PAN INDIA	2 69 325	2 69 325	2 69 325	Implementing Agency - Reliance Foundation*
8	Sports - RF Young Champs	Clause (vii) Promoting rural sports, Nationally recognized sports and Olympic sports	Maharashtra - District - Mumbai	76 75 084	76 75 084	76 75 084	
9	Partnership with Non- Government Organisations	Clause (vii) Promoting rural sports, Nationally recognized sports and Olympic sports	Maharashtra - District - Mumbai	5 44 000	5 44 000	5 44 000	
10	Promoting Education	Clause (ii) Promoting Education	Tamil Nadu	6 00 00 000	6 00 00 000	6 00 00 000	Implementing Agency - Shyam Kothari Foundation [‡]
11	Medical and Healthcare	Clause (i) eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare	Tamil Nadu	84 00 000	84 00 000	84 00 000	
12	General towards healthcare	Clause (i) eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare	Gujarat - District - Valsad	-	-	22 00 00 000	Implementing Agency - Shrimad Rajchandra Sarvamangal Trust (SRST)**
13	Promoting Education	Clause (ii) - promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Gujarat - District - Valsad	-	-	6 00 00 000	Implementing Agency - Shrimad Rajchandra Educational Trust (SRET)***
	Total			33 85 00 000	33 85 00 000	94 75 00 000	

*Reliance Foundation (RF) is a company within the meaning of Section 8 of the Companies Act, 2013 and has a comprehensive approach towards development with an overall aim to create and support meaningful and innovative activities that address some of India's most pressing developmental challenges, with the aim of enabling lives, living and livelihood for a stronger and inclusive India. RF has an established track record of more than three years in undertaking such projects and programs.

[‡]Shyam Kothari Foundation (SKF) is a registered public charitable trust serving the general public by promoting education, art, music and culture and also for providing medical relief, granting protection and relief to the poor and for furtherance of and promotion of all forms of charitable objects. SKF has an established track record of more than three years in undertaking such projects and programs.

**Shrimad Rajchandra Sarvamangal Trust (SRST) is a Registered Trust and has a comprehensive approach towards development with an overall aim to create and support meaningful and innovative activities that address some of India's most pressing needs, with the aim of improving healthcare including preventive healthcare, reducing child mortality and improving maternal health in the rural and backward areas. SRST has an established track record of more than three years in undertaking such projects and programs.

***Shrimad Rajchandra Educational Trust (SRET) is a Registered Non Profitable Trust and has an overall aim to provide needy children with education, value-based learning and programmes designed for their overall development. It is an initiative that uses an innovative and integrated educational approach to educate, elevate and empower less privileged children. This approach encourages their holistic development, thereby maximising their potential and helping them to escape the vicious cycle of ignorance and poverty. SRET has an established track record of more than three years in undertaking the programs/projects.

ANNEXURE II A

Policy for Appointment of Directors and criteria for determining Directors' Independence**1. Introduction**

- 1.1 Sikka Ports & Terminals Limited (SPTL) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, SPTL ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2 SPTL recognizes the importance of Independent Directors in achieving the effectiveness of the Board. SPTL aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

2. Scope and Purpose:

- 2.1. This Policy sets out the guiding principles for the Nomination and Remuneration Committee 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.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1. "Director"** means a director appointed to the Board of a company.
- 3.2. "Nomination and Remuneration Committee"** means the committee constituted by SPTL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013.
- 3.3. "Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013.

4. Policy:**4.1. Qualifications And Criteria**

The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, expertise, competence, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.

In evaluating the suitability of individual Board

members, the NR Committee shall take into account many factors, including the following:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background;
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively;

The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number or any other identification number prescribed by the Central Government which shall be treated as Director Identification Number for the purposes of the Companies Act, 2013;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established for Directors and Management Personnel for Group Companies;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, and other relevant laws.

The NRC shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency

and review its implementation and compliance with the objective of having a group that best enables the success of the Company's business.

4.2. Criteria of Independence

The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

The criteria of independence shall be as laid down in Companies Act, 2013 and other relevant laws, if any, as amended from time to time.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

4.3. Other Directorships / Committee Memberships

4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not

interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

For and on behalf of the Board of Directors

K. R. Raja
Director
(DIN: 00006673)
Place: Mumbai

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

Date: June 4, 2020

ANNEXURE II B

Remuneration Policy for Directors, Key Managerial Personnel and other Employees

1. Introduction

1.1 Sikka Ports & Terminals Limited (SPTL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully

1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks

1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals

2. Scope and Purpose:

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

3.1 “Director” means a director appointed to the Board of a company.

3.2 “Key Managerial Personnel” means

- (i) the Chief Executive Officer or the managing director or the manager;
- (ii) the company secretary;
- (iii) the whole-time director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

3.3 “Nomination and Remuneration Committee” means the committee constituted by SPTL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

4. Policy:

4.1 Remuneration to Executive Directors and Key Managerial Personnel

The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retiral benefits
- (vi) Annual Performance Bonus

4.2 Remuneration to Non-Executive Directors

The Board on the recommendation of the NR Committee shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

Non-Executive Directors may be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors may also be entitled to profit related commission in addition to the sitting fees.

4.3 Remuneration to Other Employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration is determined within the appropriate grade and is based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

For and on behalf of the Board of Directors

K. R. Raja
Director
(DIN: 00006673)
Place: Mumbai

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

Date: June 4, 2020

ANNEXURE III

SECRETARIAL AUDIT REPORT*For the Financial Year ended March 31, 2020**[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 either as hard copies or scanned copies by email 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, 2020 (**“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 Overseas Direct Investment;
- 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;
- 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.

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 duly constituted with proper balance of Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for one Board Meeting where consent for shorter notice was obtained from majority of the directors. System exists for seeking and obtaining 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 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 issued and allotted secured redeemable non-convertible debentures on private placement basis in due compliance with the applicable provisions of the Act.

**For Shashikala Rao & Co.
Company Secretaries**

**Shashikala Rao
Practising Company Secretary
FCS 3866 CP No 9482
UDIN F003866B000318235**

**Mumbai
June 4, 2020**

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**

**Shashikala Rao
Practising Company Secretary
FCS 3866 CP No 9482
UDIN F003866B000318235**

**Mumbai
June 4, 2020**

Independent Auditors' Report

To the Members of Sikka Ports & Terminals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sikka Ports & Terminals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, 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 "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, 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 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 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 matter.

Head	Key Audit Matters	How our audit addressed the key audit matter
Borrowings	<p>As on 31st March 2020 the Company has outstanding Borrowings of ₹ 17,929.89 crore. These borrowings are by way of Non-convertible debentures listed on stock exchanges of ₹ 16,473.99 crore (net off ₹ 26.01 crore prepaid finance charges) and redeemable preference shares amounting to ₹ 1,455.90 crore (refer Note 19 of the financial statements).</p> <p>The borrowings form significant portion of liabilities of the Company and hence considered to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> 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, 2013 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 Board of Director's report in the annual report for the year ended March 31, 2020, but does not include the financial statements and our auditors' report thereon.

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

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

When we read the other information as stated above and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and regulatory authorities.

Responsibilities of Management and Those Charged with Governance for the 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 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rules 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 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 director 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 financial statements as referred to in Note 35(I)(a) to the 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)

Anuj Bhatia

Partner

Membership No. 122179

UDIN: 20122179AAAABA9537

Place: Mumbai

Date: June 4, 2020

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 financial statements for the year ended 31st March, 2020)

- 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, title deeds of Immovable Properties are generally in the name of the Company except in case of properties having the carrying value as at 31st March, 2020 aggregating to ₹ 2.75 crores (Freehold Land ₹ 2.08 crores and the Buildings ₹ 0.67 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. Accordingly, the provisions of Clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments, as applicable. The Company has not provided any guarantees or securities.
- 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 Companies Act, 2013 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, 2020 for a period of more than six months from the date of becoming payable.
 - b. There were no dues of Income Tax, Sales Tax, Goods and Services Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, as applicable, which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, there was no repayment due to be made to debenture holders during the year. The Company does not have any loan or borrowing from bank, financial institution and government.
- 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) or term loan.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the 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 Companies Act, 2013.

- 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 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)

Anuj Bhatia

Partner

Membership No. 122179

UDIN: 20122179AAAABA9537

Place: Mumbai

Date: June 4, 2020

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 financial statements for the year ended 31st March, 2020)

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 financial statements of Sikka Ports & Terminals Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management’s Responsibility For Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company’s internal financial control with reference to 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 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject

to the risk that the internal financial control with reference to 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 financial statements and such internal financial controls system with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D T S & Associates LLP**

Chartered Accountants

(Registration No. 142412W/W100595)

Anuj Bhatia

Partner

Membership No. 122179

UDIN: 20122179AAAABA9537

Place: Mumbai

Date: June 4, 2020

Balance Sheet as at 31st March 2020

	Notes	As at 31st March 2020	(₹ in crore) As at 31st March 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	3 098.31	3 688.61
Capital Work-in-Progress	1	326.32	32.00
Intangible Assets	1	0.20	0.24
Financial Assets			
Investments	2	1 025.96	3 101.21
Loans	3	576.83	580.75
Other Financial Assets	4	2.45	2.45
Deferred Tax Assets (Net)	5	63.43	765.70
Other Non-Current Assets	6	1 080.63	974.51
Total Non-Current Assets		6 174.13	9 145.47
Current Assets			
Inventories	7	250.22	261.52
Financial Assets			
Investments	8	5 345.47	17 173.13
Trade Receivables	9	295.98	290.01
Cash and Cash Equivalents	10	476.33	28.68
Other Bank Balances	11	6.38	6.10
Loans	12	23 169.29	4 712.34
Other Financial Assets	13	1 031.91	1 613.89
Other Current Assets	15	376.79	334.48
Total Current Assets		30 952.37	24 420.15
Assets held for Sale	16	-	0.00
Total Assets		37 126.50	33 565.62
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	17	275.00	275.00
Other Equity	18	15 404.89	16 606.88
Total Equity		15 679.89	16 881.88
Liabilities			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	19	17 929.89	14 303.93
Other Financial Liabilities	20	1 667.68	788.90
Other Non - Current Liabilities	21	466.34	513.27
Total Non - Current Liabilities		20 063.91	15 606.10
Current Liabilities			
Financial Liabilities			
Trade Payables dues of			
- Micro and Small Enterprise	22	3.88	1.68
- Other than Micro and Small Enterprise	22	219.27	187.93
Other Financial Liabilities	23	1 068.21	802.80
Other Current liabilities	24	91.34	85.22
Provisions	25	-	0.01
Total Current Liabilities		1 382.70	1 077.64
Total Liabilities		21 446.61	16 683.74
Total Equity and Liabilities		37 126.50	33 565.62
Significant Accounting Policies			
See accompanying Notes to Financial Statements	1-43		

As per our Report of even date

For D T S & Associates LLP

Chartered Accountants

(Registration No.142412W / W100595)

Anuj Bhatia

Partner

Membership No. 122179

Place : Mumbai

Date : 4th June, 2020

For and on behalf of the Board

K R Raja
Director

S. Anantharaman
Director
Place : Coimbatore

Y B Prasad
Director
Place : Jamnagar

M Sundar
Manager

Geeta Fulwadaya
Director

Ritesh Shiyal
Chief Financial Officer

Natarajan T G
Director

Mohana V
Company Secretary

Place : Ahmedabad

Statement of Profit and Loss for the year ended 31st March 2020

		(₹ in crore)	
	Notes	2019-20	2018-19
Income			
Revenue from Operations	26	4 005.45	3 771.54
Other Income	27	2 198.92	3 504.96
Total Income		<u>6 204.37</u>	<u>7 276.50</u>
Expenses			
Cost of Materials Consumed		0.10	7.66
Employee Benefits Expense	28	32.27	31.73
Finance Costs	29	1 366.74	1 937.70
Depreciation and Amortisation Expense	30	621.58	767.59
Other Expenses	31	3 591.36	4 350.74
Total Expenses		<u>5 612.05</u>	<u>7 095.42</u>
Profit Before Tax		592.32	181.08
Tax Expense			
Current Tax	14	236.00	720.50
Deferred Tax	5	917.72	(653.04)
Profit / (Loss) for the Year		<u>(561.40)</u>	<u>113.62</u>
Other Comprehensive Income			
A (i) Item that will not be reclassified to Statement of Profit and Loss - Defined Benefit Plans		(0.12)	(0.14)
(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss		0.03	0.05
B (i) Item that will be reclassified to Statement of Profit and Loss - Cash Flow Hedge		(855.92)	(569.22)
(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss		215.42	198.91
Total Other Comprehensive Income / (Loss) for the year (Net of Tax)		<u>(640.59)</u>	<u>(370.40)</u>
Total Comprehensive Income / (Loss) for the Year		<u>(1 201.99)</u>	<u>(256.78)</u>
Earnings Per Equity Share of face value of ₹ 1 each			
Basic and Diluted (In ₹)	32	(2.05)	0.41
Significant Accounting Policies			
See accompanying Notes to Financial Statements	1-43		

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

K R Raja
Director

Y B Prasad
Director
Place : Jamnagar

Geeta Fulwadaya
Director

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Director
Place : Ahmedabad

Anuj Bhatia
Partner
Membership No. 122179

S. Anantharaman
Director
Place : Coimbatore

M Sundar
Manager

Ritesh Shiyal
Chief Financial Officer

Mohana V
Company Secretary

Place : Mumbai
Date : 4th June, 2020

Statement of Changes in Equity for the year ended 31st March 2020

A. Equity Share Capital

(₹ in crore)

Balance at the beginning of the previous reporting period i.e. 1st April 2018	Changes in equity share capital during the year 2018-19	Balance at the end of the previous reporting period i.e. 31st March 2019	Changes in equity share capital during the year 2019-20	Balance at the end of the reporting period i.e. 31st March 2020
275.00	-	275.00	-	275.00

B. Other Equity

(₹ 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, 2019								
Balance at the beginning of the previous reporting period i.e. 1st April, 2018	713.50	4.41	20 163.06	1 329.50	(5 511.75)	173.08	(0.39)	16 871.41
Adjustments pursuant to Scheme of Arrangement	(7.75)	-	-	-	-	-	-	(7.75)
Total Comprehensive Income for the year	-	-	-	-	113.62	(370.31)	(0.09)	(256.78)
Transfer to / (from) retained earnings	-	-	-	110.00	(110.00)	-	-	-
Balance at the end of the previous reporting period i.e. 31st March, 2019	705.75	4.41	20 163.06	1 439.50	(5 508.13)	(197.23)	(0.48)	16 606.88
As on 31st March, 2020								
Balance at the beginning of the 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 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

Anuj Bhatia
Partner
Membership No. 122179

Place : Mumbai
Date : 4th June, 2020

K R Raja
Director

S. Anantharaman
Director
Place : Coimbatore

Y B Prasad
Director
Place : Jamnagar

M Sundar
Manager

Geeta Fulwadaya
Director

Ritesh Shiyal
Chief Financial Officer

Natarajan T G
Director
Place : Ahmedabad

Mohana V
Company Secretary

Cash Flow Statement for the year ended 31st March 2020

	2019-20	(₹ in crore) 2018-19
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax as per Statement of Profit and Loss	592.32	181.08
Adjusted for:		
Depreciation and Amortisation Expense	621.58	767.59
(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net)	0.03	(1.22)
Net Gain on Financial Assets	(567.43)	(303.26)
Finance Costs	1 366.74	1 937.70
Effect of Exchange Rate Change	(1.83)	(2.50)
Loan written off	1 018.53	-
Write off of Interest receivable as Bad debts	1 455.66	-
Changes in Fair Value of Financial Assets (net)	262.83	2 665.22
Other Financial Assets carried at amortised cost	-	79.89
Interest Income	<u>(1 399.34)</u>	<u>(2 829.59)</u>
	<u>2 756.77</u>	<u>2 313.83</u>
Operating Profit before Working Capital Changes	3 349.09	2 494.91
Adjusted for:		
Trade and Other Receivables	(54.40)	(224.96)
Inventories	11.30	(42.67)
Trade and Other Payables	<u>4.85</u>	<u>(8.09)</u>
	<u>(38.25)</u>	<u>(275.72)</u>
Cash Generated from Operations	3 310.84	2 219.19
Taxes Paid (net)	<u>(342.12)</u>	<u>(1 041.79)</u>
Net Cash flow from Operating Activities*	<u>2 968.72</u>	<u>1 177.40</u>
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment / Capital Work in Progress	(180.78)	(43.72)
Proceeds from disposal of Property, Plant and Equipment	-	5.82
Change in Loans and Advances (net)	(19 471.55)	11 709.72
Purchase of Investments in subsidiary	-	(1,883.88)
Purchase of Investments in Jointly Controlled Entity	(1 261.75)	-
Purchase of Other Investments	(36 668.29)	(61 382.36)
Proceeds from Sale of Investments in subsidiary (₹ 1)	0.00	0.05
Proceeds from Sale of Other Investments	52 220.38	52 214.63
Fixed Deposits redeemed / (placed) with Bank (net)	-	145.90
Interest Income	<u>520.25</u>	<u>1 276.17</u>
Net Cash flow from / (used in) Investing Activities	<u>(4 841.74)</u>	<u>2 042.33</u>

Cash Flow Statement for the year ended 31st March 2020 (Contd.)

	2019-20	2018-19
(₹ in crore)		
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Borrowing - Non Current	3 500.00	9.40
Repayment of Borrowings - Non Current (including premium)	-	(1 940.00)
Interest and Finance Charges Paid	(1 174.68)	(1 280.02)
Payment of Lease Liabilities	(4.65)	-
Net Cash flow from / (used in) Financing Activities	2 320.67	(3 210.62)
Net Increase / (Decrease) in Cash and Cash Equivalents	447.65	9.11
Opening Balance of Cash and Cash Equivalents	28.68	19.57
Cash and Cash Equivalents of Investment Division of East West Pipeline Private Limited ("Transferor Company") (₹ 885/-)	-	0.00
Closing Balance of Cash and Cash Equivalents (refer Note 10)	476.33	28.68

* includes amount spent in cash towards Corporate Social Responsibility is ₹ 33.85 crore (Previous Year ₹ 18.50 crore) (refer Note 31.2)

Change in Liability arising from Financing Activities					(₹ in crore)
	1st April 2019	Cash flow (net)	Additions pursuant to Scheme of Arrangement	Non Cash Flow Changes	31st March 2020
Borrowings Non-Current Liabilities (refer Note 19)	14 303.93	3 500.00	-	125.96	17 929.89
					(₹ in crore)
	1st April 2018	Cash flow (net)	Additions pursuant to Scheme of Arrangement	Non Cash Flow Changes	31st March 2019
Borrowings Non-Current Liabilities (refer Note 19)	12 061.32	(1 930.60)	3 500.00	673.21	14 303.93

Notes:

- Figures in brackets represents cash outflows.
- Previous year figures have been regrouped, reclassified and rearranged wherever necessary.
- 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)

For and on behalf of the Board

Anuj Bhatia
 Partner
 Membership No. 122179
 Place : Mumbai
 Date : 4th June, 2020

K R Raja
 Director

Y B Prasad
 Director
 Place : Jamnagar

Geeta Fulwadaya
 Director

Natarajan T G
 Director
 Place : Ahmedabad

S. Anantharaman
 Director
 Place : Coimbatore

M Sundar
 Manager

Ritesh Shiyal
 Chief Financial Officer

Mohana V
 Company Secretary

Notes to Financial Statements for the year ended 31st March 2020

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.

The Ministry of Corporate Affairs (MCA) has notified IND AS 116 “Leases” to be effective from accounting period starting from 1st April 2019. IND AS 116 will supercede the current standard on Leases i.e. IND AS 17 “Leases”. This however, does not have any material impact on the financial statements of the Company.

Company’s Financial Statements are presented in Indian Rupees (₹), 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.

Notes to Financial Statements for the year ended 31st March 2020

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.

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 rightof-use asset shall comprise of the amount of the initial measurement of the lease

Notes to Financial Statements for the year ended 31st March 2020

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.

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

Notes to Financial Statements for the year ended 31st March 2020

(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 Balance Sheet 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.

Minimum Alternative Tax (MAT) is applicable to the Company. Tax credits in respect of MAT, to the extent, it is probable that future taxable profits will be available against which such carry forward tax credits can be utilised are recognised as Deferred Tax Assets / MAT Credit Entitlement.

(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 Financial Statements for the year ended 31st March 2020

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.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA).

An asset is classified 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 classified as current when it is

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) 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. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

(o) Fair value measurement :

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between

Notes to Financial Statements for the year ended 31st March 2020

market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either :

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy.

(p) **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.

(q) **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. Equity Investments:

All 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'.

Notes to Financial Statements for the year ended 31st March 2020

D. 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.

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

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 balance sheet 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

Notes to Financial Statements for the year ended 31st March 2020

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.

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 Financial Statements for the year ended 31st March 2020

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 39 of financial statements.

Notes to Financial Statements for the year ended 31st March 2020

1. Property, Plant And Equipment, Capital Work-In-Progress And Intangible Assets

(₹ in crore)

Description	Gross Block				Depreciation				Net Block	
	As at 01.04.2019	Additions/ Adjustments	Deductions / Adjustments	As at 31.03.2020	As at 01.04.2019	For the year	Deductions / Adjustments	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Property, Plant and Equipment										
Own Assets :										
Land	333.08	-	-	333.08	-	-	-	-	333.08	333.08
Buildings	99.66	-	-	99.66	39.64	6.26	-	45.90	53.76	60.02
Plant and Machinery	3 442.25	0.50	-	3 442.75	2,059.38	263.94	-	2 323.32	1 119.43	1 382.87
Office Equipments	1.55	22.60	-	24.15	1.24	6.89	-	8.13	16.02	0.31
Furniture and Fixtures	85.76	1.01	-	86.77	56.40	8.78	-	65.18	21.59	29.36
Vehicles	4.81	-	0.03	4.78	4.01	0.15	-	4.16	0.62	0.80
Jetties (refer Note 1.1)	4 298.60	-	-	4 298.60	2 418.75	330.49	-	2 749.24	1 549.36	1 879.85
Right-of-Use Assets :										
Land	5.76	-	-	5.76	3.44	0.29	-	3.73	2.03	2.32
Assets subject to Operating Lease	-	7.16	-	7.16	-	4.74	-	4.74	2.42	-
Total (A)	8 271.47	31.27	0.03	8 302.71	4 582.86	621.54	-	5 204.40	3 098.31	3 688.61
Intangible Assets										
Computer Software*	1.76	-	-	1.76	1.52	0.04	-	1.56	0.20	0.24
Total (B)	1.76	-	-	1.76	1.52	0.04	-	1.56	0.20	0.24
Total (A) + (B)	8 273.23	31.27	0.03	8 304.47	4 584.38	621.58	-	5 205.96	3 098.51	3 688.85
Previous Year	8 239.11	50.04	15.92	8 273.23	3 828.11	767.59	11.32	4 584.38	3 688.85	
Capital Work-in-Progress									326.32	32.00

* 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 ₹ 35.06 crore (Previous Year ₹ 14.21 crore) on account of cost of construction material at site.
- 1.3 Capital Work-in-Progress also includes ₹ 3.84 crore (Previous Year ₹ Nil) on account of interest and ₹ 1.13 crore (Previous Year ₹ Nil) on account of exchange fluctuation capitalised during the year respectively.
- 1.4 Buildings includes cost of shares in Co-operative Housing Societies of ₹ 1000 (Previous Year ₹ 1000).
- 1.5 For assets hypothecated/mortgaged as security - refer Note 19.
- 1.6 The Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases, pursuant to which it has reclassified its leased asset as Right-of-Use Assets. Further, additions include recognition of leasing arrangement as Right-of-use Assets of ₹ 7.16 crore as at April 1, 2019. The impact on the profit for the year is not material.

Notes to Financial Statements for the year ended 31st March 2020

(₹ in crore)

Particulars	As at 31st March 2020		As at 31st March 2019	
	Nos. / Units	Amount	Nos. / Units	Amount
Aditya Birla Sun Life Fixed Term Plan Series QN (1100 Days)-Direct-Growth of ₹ 10 each	27 00 000	3.10	27 00 000	2.89
Aditya Birla Sun Life Fixed Term Plan-Series PB (1190 days) Regular-Growth of ₹ 10 each	1 00 00 000	11.84	1 00 00 000	10.88
Aditya Birla Sun Life Fixed Term Plan-Series QI (1100 Days) - Direct Growth of ₹ 10 each	1 00 00 000	11.75	1 00 00 000	10.80
Aditya Birla Sun Life Fixed Term Plan-Series QU 1100 Days-Direct Growth of ₹ 10 each	3 00 00 000	34.89	3 00 00 000	31.93
Axis Fixed Term Plan - Series 95 (1185 Days)-Direct Growth of ₹ 10 each	1 00 00 000	11.77	1 00 00 000	10.76
DSP FMP - Series 235-36M Direct Growth Maturity Date 30-Jun-2021 of ₹ 10 each	1 50 00 000	17.57	1 50 00 000	16.12
DSP FMP Series - 219 - 40 Month Reg-Growth of ₹ 10 each	1 00 00 000	11.80	1 00 00 000	10.88
DSP FMP -Series 237-36M Direct Growth Maturity Date 29-Jul-2021 of ₹ 10 each	1 00 00 000	11.67	1 00 00 000	10.70
Franklin India Fixed Maturity Plan – Series 4 – Plan A (1098 Days) Direct-Growth of ₹ 10 each	1 00 00 000	11.73	1 00 00 000	10.72
Franklin India Fixed Maturity Plan Series 4–Plan B (1098 Days)–Direct Growth of ₹ 10 each	2 30 00 000	26.76	2 30 00 000	24.46
HDFC FMP 1107D March 2016 (1) - Direct-Growth-Series 36 of ₹ 10 each	-	-	5 00 00 000	62.98
HDFC FMP-1099 Days Jun 2018 Direct Growth - Series 41 of ₹ 10 each	1 90 00 000	22.35	1 90 00 000	20.48
ICICI Prudential Fixed Maturity Plan Series 82-1223 Days Plan E Cum of ₹ 10 each	1 00 00 000	11.87	1 00 00 000	10.92
ICICI Prudential Fixed Maturity Plan Series 83 1107 Days Plan Q Direct Plan Cumulative of ₹ 10 each	2 00 00 000	23.42	2 00 00 000	21.46
ICICI Prudential Fixed Maturity Plan Series 83 Plan S 1100 Days Direct Plan Cumulative of ₹ 10 each	3 00 00 000	34.47	3 00 00 000	31.96
ICICI Prudential Fixed Maturity Plan Series 83 Plan Y 1111 Days Direct Plan Cumulative of ₹ 10 each	1 00 00 000	11.65	1 00 00 000	10.66
ICICI Prudential Fixed Maturity Plan Series 83-1103D Plan-L Direct Plan Cumulative of ₹ 10 each	2 00 00 000	23.59	2 00 00 000	21.59
IDFC Fixed Term Plan Series – 156 (1103 Days)-Direct-Plan-Growth of ₹ 10 each	50 00 000	5.85	50 00 000	5.36
IDFC Fixed Term Plan–Series 154 (1098 Days) Direct Plan Growth of ₹ 10 each	1 10 00 000	12.93	1 10 00 000	11.84

Notes to Financial Statements for the year ended 31st March 2020

(₹ in crore)

Particulars	As at 31st March 2020		As at 31st March 2019	
	Nos. / Units	Amount	Nos. / Units	Amount
IDFC Fixed Term Plan-Series 160 (1105 Days) Direct Plan Growth of ₹ 10 each	1 00 00 000	11.65	1 00 00 000	10.66
Invesco India Fixed Maturity Plan-Series 32 Plan C Direct Sub Plan Growth of ₹ 10 each	1 20 00 000	14.00	1 20 00 000	12.78
Invesco India Fixed Maturity Plan Series 32 Plan D (1099 Days) Growth Plan of ₹ 10 each	1 00 00 000	11.64	1 00 00 000	10.63
Invesco India FMP Sr. 32 Plan B (1100 Days)- Direct Sub Plan Growth of ₹ 10 each	1 20 00 000	14.07	1 20 00 000	12.89
Kotak FMP Series 191 Direct - Growth of ₹ 10 each	-	-	2 00 00 000	25.28
Kotak FMP Series 235 Direct Growth of ₹ 10 each	2 30 00 000	27.03	2 30 00 000	24.69
Kotak FMP Series 240 Direct Growth of ₹ 10 each	4 92 50 000	57.63	4 92 50 000	52.52
Kotak FMP Series 233 Direct Growth of ₹ 10 each	1 50 00 000	17.65	1 50 00 000	16.16
Nippon India Fixed Horizon Fund - xxxviii -Series 03 -Direct Growth Plan of ₹ 10 each	50 00 000	5.85	50 00 000	5.36
Nippon India Fixed Horizon Fund -xxxviii -Series 05 - Direct-Growth Plan of ₹ 10 each	50 00 000	5.75	50 00 000	5.34
Nippon India Fixed Horizon Fund-xxxviii-Series 07 -Direct Growth Plan of ₹ 10 each	3 00 00 000	34.45	3 00 00 000	31.90
Nippon India Fixed Horizon Fund - xxxviii -Series 06 - Direct Growth Plan of ₹ 10 each	22 00 00 000	252.96	22 00 00 000	234.47
SBI Debt Fund Series C - 19 (1100 Days) - Direct Growth of ₹ 10 each	3 00 00 000	35.15	3 00 00 000	32.22
SBI Debt Fund Series C - 21 (1100 Days) - Direct Growth of ₹ 10 each	4 00 00 000	45.85	4 00 00 000	42.49
Sundaram Fixed Term Plan IK -Direct-Growth of ₹ 10 each	80 00 000	9.38	80 00 000	8.58
UTI Fixed Term Income Fund Series XXX-II 1107 Days Direct Growth Plan of ₹ 10 each	4 50 00 000	52.41	4 50 00 000	47.88
UTI Fixed Term Income Fund Series XXIX -XV 1124 Days Direct Growth Plan of ₹ 10 each	40 00 000	4.68	40 00 000	4.28
		920.21		934.85
Investments in Perpetual Bonds				
Quoted, Fully Paid Up				
8.65% Bank of Baroda SR-IX Perpetual Bond of ₹ 10 00 000 each	-	-	500	48.21
8.85% HDFC Bank Limited SR-1 Perpetual Bond of ₹ 10 00 000 each	-	-	1 000	98.68

Notes to Financial Statements for the year ended 31st March 2020

		(₹ in crore)	
3. Loans - Non Current Assets (Unsecured and Considered Good)	As at 31st March 2020	As at 31st March 2019	
Loans and Advances to Bodies Corporate	576.82	576.82	
Loans and Advances to employees	0.01	3.93	
Total	576.83	580.75	

		(₹ in crore)	
4. Other Non-Current - Financial Assets	As at 31st March 2020	As at 31st March 2019	
Deposits	2.45	2.45	
Total	2.45	2.45	

		(₹ in crore)	
5. Deferred Tax (Assets) / Liabilities (Net) The movement on the deferred tax account is as follows:	As at 31st March 2020	As at 31st March 2019	
At the start of the year	(765.70)	86.30	
Charge / (credit) to Statement of Profit and Loss (refer Note 14)	917.72	(653.04)	
Charge / (credit) to Other Comprehensive Income	(215.45)	(198.96)	
At the end of year	(63.43)	(765.70)	

Component of Deferred tax (Assets) / Liabilities (Net) (₹ in crore)

	As at 31st March 2019	Charge / (credit) to		As at 31st March 2020
		Statement of Profit and Loss	Other Comprehensive Income	
Deferred tax (Assets) / Liabilities (Net) in relation to:				
Property, Plant and Equipment	758.27	(297.85)	-	460.42
Financial Instruments	(51.05)	(92.62)	(215.42)	(359.10)
Brought Forward Losses	(1 278.45)	1 242.87	-	(35.58)
Other Liabilities	(194.47)	65.29	-	(129.18)
Provisions (₹ 35,414)	(0.00)	0.03	(0.03)	-
Total	(765.70)	917.72	(215.45)	(63.43)

As per section 115BAA introduced vide Taxation Laws (Amendment) Act 2019, the Company will adopt new income tax rates from next financial year commencing from 1st April 2020. Consequently, Company has considered new tax rates for recognition of Deferred Tax Liability / Assets as at 31st March 2020.

Notes to Financial Statements for the year ended 31st March 2020

			(₹ in crore)	
6. Other Non - Current Assets (Unsecured and Considered Good)	As at 31st March 2020	As at 31st March 2019		
Capital Advances	5.75	5.75		
Advance Income Tax (Net of Provision) (refer Note 6.1)	<u>1 074.88</u>	<u>968.76</u>		
Total	<u><u>1 080.63</u></u>	<u><u>974.51</u></u>		

			(₹ in crore)	
6.1 Advance Income Tax (Net of Provision)	As at 31st March 2020	As at 31st March 2019		
At beginning of the year	968.76	647.47		
Charge for the year	(236.00)	(720.50)		
Tax paid during the year	<u>342.12</u>	<u>1 041.79</u>		
At the end of the year	<u><u>1 074.88</u></u>	<u><u>968.76</u></u>		

			(₹ in crore)	
7. Inventories	As at 31st March 2020	As at 31st March 2019		
Stores, Spares and Consumables	<u>250.22</u>	<u>261.52</u>		
Total	<u><u>250.22</u></u>	<u><u>261.52</u></u>		

					(₹ in crore)	
Particulars	As at 31st March 2020		As at 31st March 2019			
	Nos. / Units	Amount	Nos. / Units	Amount		
8. Current Investments						
A. Investment measured at Fair Value through Profit and Loss						
In Mutual Fund - Unquoted						
Aditya Birla Sun Life Floating Rate Fund Growth Regular Plan of ₹ 100 each	-	-	5 67 46 207	1 302.97		
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan of ₹ 100 each	6 29 69 179	2 000.82	3 30 51 873	988.27		
Aditya Birla Sun Life Money Manager Fund-Growth-Regular Plan of ₹ 100 each	-	-	7 62 48 155	1 908.31		
Axis Liquid Fund - Growth of ₹ 1 000 each	-	-	48 49 221	1 001.41		
Axis Liquid Fund Regular Plan Growth of ₹ 1 000 each	24 31 504	533.51	-	-		
DSP Savings Fund Regular Plan-Growth of ₹ 10 each	-	-	82 07 193	30.08		
DSP Ultra Short Fund Regular Plan-Growth of ₹ 1 000 each	-	-	12 32 745	300.60		
Franklin India Savings Fund Retail Option of ₹ 10 each	-	-	1 45 98 796	50.13		
HDFC Floting Rate Debt Fund Wholesale Option Regular Plan-Growth of ₹ 10 each	-	-	26 16 43 498	850.42		

Notes to Financial Statements for the year ended 31st March 2020

Particulars	(₹ in crore)			
	As at 31st March 2020		As at 31st March 2019	
	Nos. / Units	Amount	Nos. / Units	Amount
HDFC Low Duration Fund Retail Regular Plan Growth of ₹ 10 each	-	-	16 52 34 403	646.51
ICICI Prudential Liquid Fund -Growth of ₹ 100 each	-	-	3 51 42 418	967.89
ICICI Prudential Money Market Fund - Growth of ₹ 100 each	-	-	7 12 56 902	1 844.36
ICICI Prudential Savings Fund Growth of ₹ 100 each	-	-	83 79 074	300.58
IDFC Corporate Bond Fund Regular Plan Growth of ₹ 10 each	-	-	74 83 32 007	952.80
Kotak Liquid - Plan A - Growth of ₹ 1 000	1 23 816	49.53	-	-
Kotak Savings Fund Growth (Regular Plan) of ₹ 10 each	-	-	73 90 71 111	2 215.11
L&T Ultra Short Term Fund Regular Growth of ₹ 10 each	-	-	14 77 09 033	451.03
Nippon India Liquid Fund - Regular - Growth Option of ₹ 1 000 each	20 74 494	1 000.42	-	-
Reliance Liquid Fund Growth Plan Growth Option of ₹ 1 000 each	-	-	2 87 352	130.44
Reliance Money Market Fund Growth Plan Growth Option of ₹ 1 000 each	-	-	28 40 517	801.64
Tata Liquid Fund - Regular Plan - Growth of ₹ 1 000 each	16 06 490	500.19	-	-
UTI Money Market Fund - Regular Growth Plan of ₹ 1 000 each	-	-	14 32 533	300.66
Yes Bank Liquid Fund-Direct-Growth of ₹ 1 000 each	-	-	49 31 574	500.59
		4 084.47		15 543.80
Investments in Bonds				
Quoted, Fully Paid Up				
7.95% Housing Development Finance Corporation Ltd. Sr-Q-002 23SEPT19 of ₹ 1 00 00 000 each	-	-	50	50.00
8.76% Power Finance Corporation Ltd. Sr-122 07NOV19 of ₹ 10 00 000 each	-	-	300	30.13
9.00% Indiabulls Housing Finance Limited OPT IV 28JUN19 of ₹ 10 00 000 each	-	-	500	50.00
8.84% Power Grid Corporation of India Limited 21OCT19 of ₹ 12 50 000 each	-	-	40	5.04
8.63% HDB Financial Services Limited SR-A/1/79 17JUL19 of ₹ 10 00 000 each	-	-	300	30.06
8.80% Power Grid Corporation Of India Limited 29SEP19 of ₹ 12 50 000 each	-	-	125	15.72
8.96% Power Finance Corporation Ltd. Sr-121 21OCT19 of ₹ 10 00 000 each	-	-	500	50.24
6.92% Indian Railway Finance Corporation Limited SR-112 10NOV19 of ₹ 10 00 000 each	-	-	500	49.90
8.52% Power Finance Corporation Ltd. SR-124A 09DEC19 of ₹ 10 00 000 each	-	-	700	70.26
7.29% Sundaram Finance Limited SR-Q12 28JUL19 of ₹ 10 00 000 each	-	-	600	59.96

Notes to Financial Statements for the year ended 31st March 2020

Particulars	(₹ in crore)			
	As at 31st March 2020		As at 31st March 2019	
	Nos. / Units	Amount	Nos. / Units	Amount
7.79% Kotak Mahindra Prime Limited Sr-III 14JUN19 of ₹ 10 00 000 each	-	-	250	25.03
8.56% Rural Electrification Corporation Limited SR-126 13NOV19 of ₹ 10 00 000 each	-	-	500	50.17
RR Housing Development Finance Corporation Ltd SR-R-007 18JUN20 of ₹ 1 00 00 000 each	-	-	50	51.53
7.79% HDB Financial Services Limited SR-A/1/104 OP 1 14JUN19 of ₹ 10 00 000 each	-	-	650	65.08
7.37% Indiabulls Housing Finance Limited SR-J-005 12SEP19 of ₹ 10 00 000 each	-	-	1 200	118.96
9.32% Power Finance Corporation Ltd. SR-119 17SEP19 of ₹ 10 00 000 each	-	-	850	85.54
8.5937% LIC Housing Finance Limited 18NOV19 of ₹ 10 00 000 each	-	-	500	50.12
8.65% Power Finance Corporation Ltd. SR-123 28NOV19 of ₹ 10 00 000 each	-	-	900	90.38
9.00% Indiabulls Housing Finance Limited OPT V 15JUL19 ₹ 10 00 000 each	-	-	250	25.07
8.79% Bajaj Finance Limited Sr-153 OP VI 10MAY19 of ₹ 10 00 000 each	-	-	250	25.04
6.54% Export Import Bank of India SR-T-08 02DEC19 of ₹ 10 00 000 each	-	-	150	14.93
9.04% Rural Electrification Corporation Limited SR-125 12OCT19 of ₹ 10 00 000 each	-	-	2 400	241.20
				1 254.36
Investments in Certificates of Deposit				
Quoted, Fully Paid Up				
National Bank For Agriculture And Rural Development CD 29JAN2020	-	-	20 000	188.65
Punjab National Bank CD 26MAR2020	-	-	20 000	186.32
				374.97
Total of Investments measured at Fair Value through Profit and Loss		4 084.47		17 173.13
B. Investments measured at Cost				
Other Investments				
In Jointly Controlled Entity				
Amritkalash Commercial LLP (refer Note 33)		1 261.00		-
Total of Investment measured at Cost		1 261.00		-
Total Current Investments		5 345.47		17 173.13
Aggregate amount of quoted investments		-		1 629.33
Market Value of quoted investments		-		1 629.33
Aggregate amount of unquoted investments		5 345.47		15 543.80

Notes to Financial Statements for the year ended 31st March 2020

Particulars	(₹ in crore)	
	As at 31st March 2020 Amount	As at 31st March 2019 Amount
8.1 Category-wise Current Investments		
Financial Assets measured at Fair Value through Profit and Loss	4 084.47	17 173.13
Financial Assets measured at Cost	<u>1 261.00</u>	<u>-</u>
Total Current Investments	5 345.47	17 173.13
		(₹ in crore)
9. Trade Receivables (Unsecured and Considered Good)	As at 31st March 2020	As at 31st March 2019
Trade receivables	<u>295.98</u>	<u>290.01</u>
Total	<u>295.98</u>	<u>290.01</u>
		(₹ in crore)
10. Cash and Cash Equivalents	As at 31st March 2020	As at 31st March 2019
Balances with Banks	476.32	10.24
Cheques in hand	-	18.36
Cash on hand	<u>0.01</u>	<u>0.08</u>
Cash and cash equivalents as per balance sheet	<u>476.33</u>	<u>28.68</u>
Cash and cash equivalents as per Cash Flow Statement	<u>476.33</u>	<u>28.68</u>
		(₹ in crore)
11. Other Bank Balances	As at 31st March 2020	As at 31st March 2019
Fixed deposits with banks *	<u>6.38</u>	<u>6.10</u>
Total	<u>6.38</u>	<u>6.10</u>
* represents ₹ 6.38 crore (Previous Year ₹ 6.10 crore) under lien.		
		(₹ in crore)
12. Loans - Current Assets (Secured and Considered Good)	As at 31st March 2020	As at 31st March 2019
Loans and Advances to Other Bodies Corporate (Unsecured and Considered Good)	-	1 500.00
Loans and Advances to Related Party (refer Note 33)	220.43	1 018.38
Loans and Advances to Other Bodies Corporate	22 948.82	2 193.90
Loans and Advances to employees	<u>0.04</u>	<u>0.06</u>
Total	<u>23 169.29</u>	<u>4 712.34</u>

Notes to Financial Statements for the year ended 31st March 2020

	(₹ in crore)	
13. Other Financial Assets - Current	As at	As at
	31st March 2020	31st March 2019
Contract Receivables	14.78	19.84
Interest Accrued on Investment-Not Due	-	77.20
Interest receivable*	978.84	1 478.49
Deposits	38.29	38.36
Total	1 031.91	1 613.89

* includes ₹ Nil (Previous Year ₹ 1,455.66 crore) of related party (refer Note 33)

	(₹ in crore)	
14. Taxation	As at	As at
	31st March 2020	31st March 2019
Income tax recognised in Statement of Profit and Loss		
Current tax	236.00	720.50
Deferred tax	917.72	(653.04)
	1 153.72	67.46

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

	(₹ in crore)	
	As at	As at
	31st March 2020	31st March 2019
Profit before tax	592.32	181.08
Applicable Tax Rate	34.9440%	34.9440%
Computed Tax Expense	206.98	63.28
Tax effect of :		
Expenses disallowed	725.94	806.10
Fair Value Changes	91.84	931.34
Additional allowances net of MAT Credit	(788.76)	(1 080.22)
Current Tax Provision (A)	236.00	720.50
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	297.85	179.46
Incremental / (Reversal) of Deferred Tax Asset / Liability on account of Financial Assets and Other Items	619.87	(832.50)
Deferred tax Provision (B)	917.72	(653.04)
Tax Expenses recognised in Statement of Profit and Loss (A+B)	1 153.72	67.46
Effective Tax Rate	194.78%	37.25%

Notes to Financial Statements for the year ended 31st March 2020

		(₹ in crore)	
15. Other Current Assets	As at 31st March 2020	As at 31st March 2019	
Balance with Government Authorities etc.	1.20	14.69	
Deposits	101.00	101.00	
Others *	<u>274.59</u>	<u>218.79</u>	
Total	<u>376.79</u>	<u>334.48</u>	

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

		(₹ in crore)	
16. Assets Held For Sale	As at 31st March 2020	As at 31st March 2019	
Investment measured at Fair Value through Profit and Loss			
In Equity Shares of Subsidiary Company			
Unquoted, Fully Paid Up			
Nil EWPL Holdings Private Limited* (50 93 409) of ₹ 1 each (Previous Year ₹ 1) (refer Note 33)	-	0.00	
Total	<u>-</u>	<u>0.00</u>	

* Formerly Reliance Utilities Private Limited

		(₹ in crore)			
17. Equity Share Capital	As at 31st March 2020		As at 31st March 2019		
	No. of Shares	Amount	No. of Shares	Amount	
Authorised Share Capital					
Equity Shares of ₹ 1 each	5000 00 00 000	5 000.00	5000 00 00 000	5 000.00	
Preference Shares of ₹ 10 each	250 00 00 000	<u>2 500.00</u>	250 00 00 000	<u>2 500.00</u>	
Total		<u>7 500.00</u>		<u>7 500.00</u>	
Issued, Subscribed and Paid up Share Capital :					
Equity Shares of ₹ 1 each fully paid up	275 00 00 000	<u>275.00</u>	275 00 00 000	<u>275.00</u>	
Total		<u>275.00</u>		<u>275.00</u>	

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

Name of the Shareholder	As at 31st March 2020		As at 31st March 2019	
	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

Notes to Financial Statements for the year ended 31st March 2020

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

Particulars	As at	As at
	31st March 2020	31st March 2019
	No. of Shares	No. of Shares
Equity Shares :		
Equity Shares at the beginning of the year	<u>275 00 00 000</u>	<u>275 00 00 000</u>
Equity Shares at the end of the year	<u>275 00 00 000</u>	<u>275 00 00 000</u>

17.3 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.

18. Other Equity	As at	As at
	31st March 2020	31st March 2019
	(₹ in crore)	
Capital Reserve		
As per last Balance Sheet	705.75	713.50
Add :- Adjustments pursuant to Scheme of Arrangement (refer Note 36)	-	(7.75)
	<u>705.75</u>	<u>705.75</u>
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	1 329.50
Transferred from Retained Earnings (refer Note 18.2)	-	110.00
	<u>1 439.50</u>	<u>1 439.50</u>
Retained Earnings		
As per last Balance Sheet	(5 508.13)	(5 511.75)
Profit for the year	(561.40)	113.62
Transferred to Debenture Redemption Reserve	-	(110.00)
	<u>(6 069.53)</u>	<u>(5 508.13)</u>
Other Comprehensive Income (OCI)		
As per last Balance Sheet	(197.71)	172.69
Movement in OCI (Net) during the year	(640.59)	(370.40)
	<u>(838.30)</u>	<u>(197.71)</u>
Total	<u>15 404.89</u>	<u>16 606.88</u>

Notes to Financial Statements for the year ended 31st March 2020

18.1 Nature and Purpose of Reserve :

- (a) Capital Reserve (CR) is created pursuant to various Schemes of Amalgamations and / or Arrangements in 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, and (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 requirements 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.

18.2 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 2019-20. Balance in DRR already created till 31st March 2019 amounting to ₹ 1,439.50 crore remains unchanged.

(₹ in crore)

19. Borrowings	As at 31st March 2020		As at 31st March 2019	
	Non-Current	Current	Non-Current	Current
Secured - At amortised cost				
Non Convertible Debentures*	13 973.99	-	10 484.85	-
Unsecured - At amortised cost				
Non Convertible Debentures	2 500.00	-	2 500.00	-
Non-Cumulative Redeemable Preference shares (refer Note 19.1)	1 437.10	-	1 300.28	-
Cumulative Redeemable Preference shares (refer Note 19.2)	18.80	-	18.80	-
Total	17 929.89	-	14 303.93	-

* includes ₹ 26.01 crore (Previous Year : ₹ 15.15 crore) as prepaid finance charges.

19.1 Non-Cumulative Redeemable Preference Shares represents the net present value of 10% Non-Cumulative Redeemable Preference Shares Series 1 to 6 (RPS) being 2,82,00,000 shares of face value of ₹ 10/- each redeemable on 31st December, 2026 (Redemption Date) at a price of ₹ 1,000/- each including premium of ₹ 990/- per share aggregating to ₹ 2,820.00 crore comprising of face value of ₹ 28.20 crore and redemption premium of ₹ 2,791.80 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 2020		As at 31st March 2019	
	No. of Shares	% held	No. of Shares	% held
Reliance Industries Holding Private Limited (holding company)	1 14 00 000	40.43%	1 14 00 000	40.43%
Kankhal Trading LLP (entity over which Holding Company is having control)	1 68 00 000	59.57%	1 68 00 000	59.57%

Notes to Financial Statements for the year ended 31st March 2020

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

Particulars	As at 31st March 2020	As at 31st March 2019
	No. of Shares	No. of Shares
RPS at the beginning of the year	2 82 00 000	3 76 00 000
RPS redeemed during the year	-	94 00 000
RPS at the end of the year	2 82 00 000	2 82 00 000

- 19.2** 1,88,00,000 9% Cumulative Redeemable Preference Shares (CRPS) of face value of ₹ 10/- each fully paid up shall be redeemed at ₹ 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 2020		As at 31st March 2019	
	No. of Shares	% held	No. of Shares	% held
Reliance Industries Holding Private Limited (holding company)	1 88 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 2020	As at 31st March 2019
	No. of Shares	No. of Shares
CRPS at the beginning of the year	1 88 00 000	94 00 000
CRPS issued during the year	-	94 00 000
CRPS at the end of the year	1 88 00 000	1 88 00 000

- 19.3** 7.90% Secured Redeemable Non Convertible Debentures- PPD 7 aggregating ₹ 2,000.00 crore (Previous Year ₹ 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 owned by the Company situated at Kandivali, Mumbai;

- 19.4** 7.95% Secured Redeemable Non Convertible Debentures- PPD 6 aggregating ₹ 2,000.00 crore (Previous Year ₹ 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 owned by the Company situated at Kandivali, Mumbai;

Notes to Financial Statements for the year ended 31st March 2020

19.5 8.45% Secured Redeemable Non Convertible Debentures- PPD 5 aggregating ₹ 4,000.00 crore (Previous Year ₹ 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 owned by the Company situated at Kandivali, Mumbai;

19.6 7.65% Secured Redeemable Non Convertible Debentures- PPD 10 aggregating ₹ 3500.00 crore (Previous Year ₹ Nil) are redeemable at par on March 22, 2023. These debentures are to be 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

The Company is in the process of creating the security as per terms of these debentures.

19.7 10.40% Secured Redeemable Non Convertible Debentures- PPD 4 aggregating ₹ 2500.00 crore (Previous Year ₹ 2500.00 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.

19.8 10.25% Unsecured Redeemable Non Convertible Debentures- PPD 9 amounting ₹ 2,500.00 crore (Previous Year ₹ 2,500.00 crore) are redeemable at par on August 22, 2021.

19.9 The Company has satisfied all the covenants prescribed in terms of borrowings.

	As at 31st March 2020	As at 31st March 2019
20. Other Financial Liabilities - Non Current		
Security Deposits from Related Party (refer Note 33)	536.73	493.46
Fair Value of Derivative Instruments - Payable	1 123.41	295.44
Lease Liabilities	0.25	-
Other Financial Liabilities	7.29	-
Total	1 667.68	788.90

	As at 31st March 2020	As at 31st March 2019
21. Other Non - Current Liabilities		
Income received in Advance from Related Party (refer Note 33)	466.34	513.27
Total	466.34	513.27

Notes to Financial Statements for the year ended 31st March 2020

			(₹ in crore)	
22. Trade Payables	As at 31st March 2020	As at 31st March 2019		
Dues of Micro and Small Enterprises (refer Note 22.1)	3.88	1.68		
Dues of Other than Micro and Small Enterprises	219.27	187.93		
Total	223.15	189.61		

22.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2020 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

			(₹ in crore)	
Particulars	As at 31st March 2020	As at 31st March 2019		
(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.	-	-		

			(₹ in crore)	
23. Other Financial Liabilities - Current	As at 31st March 2020	As at 31st March 2019		
Interest Accrued but Not Due on Borrowings	747.96	734.91		
Creditors for Capital Expenditure*	138.62	3.54		
Fair Value of Derivative Instruments - Payable	175.15	64.35		
Lease Liabilities	2.31	-		
Other Financial Liabilities	4.17	-		
Total	1 068.21	802.80		

* includes dues of Micro and Small Enterprises of ₹ 1.31 crore (Previous Year ₹ 1.18 crore) (refer Note 22.1)

Notes to Financial Statements for the year ended 31st March 2020

	(₹ in crore)	
	As at 31st March 2020	As at 31st March 2019
24. Other Current Liabilities		
Security Deposits	0.95	1.20
Income received in Advance from Related Party (refer Note 33)	46.93	43.27
Other Current Liabilities*	43.46	40.75
Total	<u>91.34</u>	<u>85.22</u>
* includes statutory dues, employee related liabilities and advances from customers etc.		
		(₹ in crore)
25. Provisions - Current	As at 31st March 2020	As at 31st March 2019
Provisions for Superannuation / Gratuity / Leave Encashment	-	0.01
Total	<u>-</u>	<u>0.01</u>
		(₹ in crore)
26. Revenue from Operations:	2019-20	2018-19
Sale of Services		
Port Infrastructure Facilities	4 017.61	3 720.14
Infrastructure Facilities in SEZ	7.71	11.19
Construction, Engineering and Equipment Hiring	262.67	295.23
	<u>4 287.99</u>	<u>4 026.56</u>
Sale of Products	0.14	7.33
	<u>4 288.13</u>	<u>4 033.89</u>
Less: GST Recovered	283.62	263.21
Total Operating Revenue	<u>4 004.51</u>	<u>3 770.68</u>
Other Operating Revenue	0.94	0.86
Total	<u>4 005.45</u>	<u>3 771.54</u>
		(₹ in crore)
27. Other Income:	2019-20	2018-19
Interest from		
Financial Assets carried at Amortised Cost	1 376.48	2 659.46
Investments at FVTPL	22.80	170.13
Others	0.06	-
	<u>1 399.34</u>	<u>2 829.59</u>
Net Gain on Financial Assets		
Gain on Sale / Transfer of Investments (net)	650.28	303.26
Income on Derivative Transactions (net)	143.03	362.38
	<u>793.31</u>	<u>665.64</u>
Gain on Sale of Property, Plant and Equipment	-	1.22
Other Non Operating Income	6.27	8.51
	<u>6.27</u>	<u>9.73</u>
Total	<u>2 198.92</u>	<u>3 504.96</u>

Notes to Financial Statements for the year ended 31st March 2020

	(₹ in crore)	
	2019-20	2018-19
28. Employee Benefits Expense		
Salaries and Wages	26.80	27.06
Contribution to Provident and Other Funds	1.75	1.77
Staff Welfare Expenses	3.72	2.90
Total	32.27	31.73

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 :

	(₹ in crore)	
Particulars	2019-20	2018-19
Employer’s Contribution to Provident Fund	0.93	0.95
Employer’s Contribution to Superannuation Fund	0.12	0.13
Employer’s Contribution to Pension Scheme	0.39	0.33

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

	(₹ in crore)	
	Gratuity (Funded)	
	2019-20	2018-19
Defined Benefit Obligation at beginning of the year	4.66	4.44
Current Service Cost	0.31	0.36
Interest Cost	0.37	0.35
Transfer In / (Out)	-	0.01
Actuarial (Gain) / Loss	0.10	0.14
Benefits paid	(1.33)	(0.64)
Defined Benefit Obligation at year end	4.11	4.66

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

	(₹ in crore)	
	Gratuity (Funded)	
	2019-20	2018-19
Fair value of Plan Assets at beginning of the year	4.66	4.44
Expected Return on Plan Assets	0.37	0.35
Return on Plan Assets (₹ 42 312)	(0.03)	(0.00)
Employer’s Contribution	0.18	0.50
Transfer In / (Out)	-	0.01
Benefits paid	(0.24)	(0.64)
Fair value of Plan Assets at year end	4.94	4.66

Notes to Financial Statements for the year ended 31st March 2020

III) Reconciliation of fair value of Assets and Obligations

	(₹ in crore)	
	Gratuity (Funded)	
	As at 31st March 2020	As at 31st March 2019
Present value of Obligation	4.11	4.66
Fair value of Plan Assets	4.94	4.66
Amount recognised in Balance Sheet	(0.83)	-

IV) Expenses recognised during the year

	(₹ in crore)	
	Gratuity (Funded)	
	2019-20	2018-19
In Income Statement		
Current Service Cost	0.31	0.36
Interest Cost	0.37	0.35
Expected Return on Plan Assets	(0.37)	(0.35)
Net Cost	0.31	0.36
In Other Comprehensive Income		
Actuarial (Gain) / Loss	0.10	0.14
Return on Plan Assets (₹ 42 312)	0.03	0.00
Net (Income) / Expense For the year Recognised in OCI	0.13	0.14

V) Investment Details

	As at 31st March 2020		As at 31st March 2019	
	(₹ in crore)	% Invested	(₹ in crore)	% Invested
Insurance Policies	4.94	100	4.66	100

VI) Actuarial assumptions

Mortality Table (IALM)	Gratuity (Funded)	
	2019-20 2006-08 (Ultimate)	2018-19 2006-08 (Ultimate)
Discount Rate (per annum)	6.84%	8.00%
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.

Notes to Financial Statements for the year ended 31st March 2020

VII) The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2019-20.

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 :

Particulars	(₹ in crore)			
	As at 31st March 2020		As at 31st March 2019	
	Decrease	Increase	Decrease	Increase
Change in discounting rate (delta effect of +/- 0.5%)	4.25	3.99	4.78	4.55
Change in rate of salary increase (delta effect of +/- 0.5%)	3.98	4.25	4.55	4.78
Change in rate of employee turnover (delta effect of +/- 0.25%)	4.12	4.12	4.65	4.67
Mortality Rate (- / + 10% of mortality rates)	4.12	4.12	4.66	4.66

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.

	(₹ in crore)	
29. Finance Costs:	2019-20	2018-19
Interest Costs* (refer Note 29.1)	1 366.60	1 937.54
Other Borrowing Costs	0.14	0.16
Total	1 366.74	1 937.70

29.1 During the previous year, the Company had redeemed 94,00,000 10% Non-Cumulative Redeemable Preference Shares (2 Series) of face value of ₹ 10 each at a premium of ₹ 990/- per share aggregating to ₹ 940.00 crore. Amount of ₹ 547.73 crore, net off pro-rata amount already provided out of profits of earlier years, was recognised as Interest Cost in the previous year.

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

	(₹ in crore)	
30. Depreciation and Amortisation Expense	2019-20	2018-19
Depreciation and Amortisation Expense (refer Note 1)	621.58	767.59
Total	621.58	767.59

Notes to Financial Statements for the year ended 31st March 2020

	(₹ in crore)	
	2019-20	2018-19
31. Other Expenses		
Port Infrastructure related Expenses	383.23	339.85
Contracts payments	64.46	75.58
Construction Material, Stores, Spares and Consumables	169.24	267.60
Repairs to Plant and Machinery	41.88	54.90
Professional Fees	26.09	135.89
Insurance	22.35	37.22
Rent	3.12	7.67
Rates and Taxes	2.59	4.09
Repairs to Buildings	0.59	2.04
Repairs to Others	61.92	83.13
Payment to Auditors (refer Note 31.1)	0.50	0.44
General Expenses	63.12	566.34
Corporate Social Responsibility Expenditure / Charity and Donations (refer Note 31.2)	33.85	18.50
Net Loss / (Gain) on Foreign Currency Transactions and Translation	(18.63)	12.38
Loan written off ^	1 018.53	-
Write off of Interest receivable as Bad debts*	1 455.66	-
Changes in Fair Value of Financial Assets (net) (refer Note 31.3)	262.83	2 665.22
Other Financial Assets carried at amortised cost	-	79.89
Loss on Sale of Property, Plant and Equipment	0.03	-
Total	<u>3 591.36</u>	<u>4 350.74</u>

^ represents write off of loan given to fellow subsidiary of the Company (refer Note 33)

* towards interest receivable from fellow subsidiary of the Company (refer Note 33)

	(₹ in crore)	
	2019-20	2018-19
31.1 Payment to Auditors as :		
Statutory Audit Fees	0.50	0.44
Out of Pocket Expenses (Previous Year ₹ 47,251)	-	0.00
Total	<u>0.50</u>	<u>0.44</u>

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 ₹ 33.84 crore (Previous Year ₹ 18.40 crore).

(b) Expenditure related to Corporate Social Responsibility is ₹ 33.85 crore (Previous Year ₹ 18.50 crore).

Details of Amount spent towards CSR given below:

	(₹ in crore)	
	2019-20	2018-19
Particulars		
Health Care	15.94	6.00
Animal Welfare	0.06	6.50
Education	16.76	-
Sports	0.82	-
General	0.27	6.00
Total	<u>33.85</u>	<u>18.50</u>

Notes to Financial Statements for the year ended 31st March 2020

31.3 Previous years' figures include ₹ 2,883.83 crore in respect of fair value adjustments made to investments held by Company in preference shares of M/s East West Pipeline Private Limited (Formerly East West Pipeline Limited)

32. Earnings Per Share (EPS)	2019-20	2018-19
i) Net Profit after Tax as per Statement of Profit and Loss (₹ in crore)	(561.40)	113.62
Less :- Dividend on 9% Cumulative Redeemable Preference Shares (CRPS)	1.69	0.86
Net Profit attributable to Equity Shareholders (₹ in crore) (Used as Numerator for calculation)	(563.09)	112.76
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 ₹ 1/- each (In Rupees)	(2.05)	0.41

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 (Formerly Reliance Utilities Private Limited)	Fellow Subsidiary (from 08.06.2019) Subsidiary Company (up to 07.06.2019)
4	East West Pipeline Private Limited (Formerly East West Pipeline Limited)	Fellow Subsidiary (from 08.06.2019) Subsidiary Company (up to 07.06.2019)
5	Pipeline Infrastructure Limited (Formerly Pipeline Infrastructure Private Limited)	Fellow Subsidiary (up to 17.03.2019) Subsidiary Company (up to 27.06.2018)
6	Jamnagar Utilities & Power Private Limited (Formerly Reliance Utilities And Power Private Limited)	Fellow Subsidiary
7	Antilia Commercial Private Limited	Fellow Subsidiary
8	Reliance Industries Limited	Associate
9	Amritkalash Commercial LLP	Jointly Controlled Entity (from 27.12.2019)
10	Shri M Sundar	Key Managerial Personnel (from 01.04.2019)
11	Shri Vishvanath Indi	Key Managerial Personnel (up to 31.03.2019)
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 Financial Statements for the year ended 31st March 2020

(ii) Transactions during the year with Related Parties :

(₹ in crore)

Sr. No.	Nature of Transactions (Excluding reimbursements)	Holding Company	Subsidiaries	Fellow Subsidiaries / Entity over which Holding Company is having control	Associates/ Jointly Controlled Entity	Key Managerial Personnel	Post Employment Benefits Plan	Total
1	Proceeds from Borrowings - Cumulative Redeemable Preference Shares	-	-	-	-	-	-	-
		9.40	-	-	-	-	-	9.40
2	Repayment of Borrowings - Non-Cumulative Redeemable Preference shares (including premium)	-	-	-	-	-	-	-
		380.00	-	560.00	-	-	-	940.00
3	Purchase / Subscription of Investments [#]	-	-	-	1 261.75	-	-	1 261.75
		-	0.05	-	1 883.83	-	-	1 883.88
4	Sale / Redemption of Investments (₹ 1)	0.00	-	-	-	-	-	0.00
		0.05	-	-	-	-	-	0.05
5	Loans and advances given / (returned) [net]	-	45.78	174.80	-	-	-	220.58
		-	3 574.62	-	-	-	-	3 574.62
6	Receivables taken on novation Agreement (net)*	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
7	Sale of Services*	-	-	2.68	3 765.08	-	-	3 767.76
		-	-	-	3 506.11	-	-	3 506.11
8	Billing for Salaries of KMP on Deputation*	-	-	0.42	-	-	-	0.42
		0.04	0.85	0.39	-	-	-	1.28
9	Sale of Traded Goods / Scrap*	-	-	-	0.12	-	-	0.12
		-	-	-	7.17	-	-	7.17
10	Interest Income	-	-	-	-	-	-	-
		-	2 480.31	-	-	-	-	2 480.31
11	Lease Rent Expenses [₹ 2,000 (Previous Year ₹ 2,000)]	-	-	-	0.00	-	-	0.00
		-	-	-	0.00	-	-	0.00
12	Purchase including Construction Material, Stores, Spares and Consumables*	-	-	-	17.58	-	-	17.58
		-	-	-	-	-	-	-
13	Payment to Key Managerial Personnel	-	-	-	-	2.31	-	2.31
		-	-	-	-	2.52	-	2.52
14	Other Expenses*	-	-	-	1.09	-	-	1.09
		-	-	-	0.53	-	-	0.53
15	Employee Benefits Expense	-	-	-	-	-	3.41	3.41
		-	-	-	-	-	3.68	3.68
16	Loan written off	-	-	1 018.53	-	-	-	1 018.53
		-	-	-	-	-	-	-
17	Write off of Interest receivable as Bad debts	-	-	1 455.66	-	-	-	1 455.66
		-	-	-	-	-	-	-
18	Excess of liabilities over assets transferred to the Company pursuant to Scheme	-	-	-	-	-	-	-
		-	7.75	-	-	-	-	7.75

[#] includes contribution to limited liability partnership.

* including taxes, wherever applicable

Notes to Financial Statements for the year ended 31st March 2020

(iii) Balances as at 31st March 2020

(₹ in crore)

Sr. No.	Nature of Transactions (Excluding reimbursements)	Holding Company	Subsidiaries	Fellow Subsidiaries / Entity over which Holding Company is having control	Associates/ Jointly Controlled Entity	Key Managerial Personnel	Post Employment Benefits Plan	Total
1	Equity Share Capital	275.00	-	-	-	-	-	275.00
		<i>275.00</i>	-	-	-	-	-	<i>275.00</i>
2	Borrowings - Non-Cumulative Redeemable Preference shares ⁵	580.96	-	856.14	-	-	-	1 437.10
		<i>525.65</i>	-	<i>774.63</i>	-	-	-	<i>1 300.28</i>
3	Borrowings - Cumulative Redeemable Preference shares ⁵	18.80	-	-	-	-	-	18.80
		<i>18.80</i>	-	-	-	-	-	<i>18.80</i>
4	Investments [₹ 1 (Previous Year ₹ 2)] (refer Note 2, 8 & 16)	-	-	0.00	1 261.75	-	-	1 261.75
		-	<i>0.00</i>	-	-	-	-	<i>0.00</i>
5	Interest Receivable	-	-	-	-	-	-	-
		-	<i>1 455.66</i>	-	-	-	-	<i>1 455.66</i>
6	Trade Receivable (including Contract Receivable)	-	-	3.10	290.60	-	-	293.70
		<i>0.04</i>	-	-	<i>257.53</i>	-	-	<i>257.57</i>
7	Trade Payable	-	-	-	0.43	-	-	0.43
		-	-	-	<i>0.44</i>	-	-	<i>0.44</i>
8	Security Deposits taken	-	-	-	536.73	-	-	536.73
		-	-	-	<i>493.46</i>	-	-	<i>493.46</i>
9	Income received in Advance	-	-	-	513.27	-	-	513.27
		-	-	-	<i>556.54</i>	-	-	<i>556.54</i>
10	Loans and Advances given	-	-	220.43	-	-	-	220.43
		-	<i>1 018.38</i>	-	-	-	-	<i>1 018.38</i>

⁵ refer Note 19 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) :

(₹ in crore)

Sr. No.	Particulars	Relationship	2019-20	2018-19
1	Proceeds from Borrowings - Cumulative Redeemable Preference Shares			
	Reliance Industries Holding Private Limited	Holding Company	-	9.40
2	Repayment of Borrowings - Non-Cumulative Redeemable Preference shares (including premium)			
	Reliance Industries Holding Private Limited	Holding Company	-	380.00
	Kankhal Trading LLP	Entity over which Holding Company is having control	-	560.00
3	Purchase / Subscription of Investments			
	Pipeline Infrastructure Limited	Subsidiary	-	0.05
	Reliance Industries Limited	Associate	-	1 883.83
	Amritkalash Commercial LLP	Jointly Controlled Entity	1 261.75	-
4	Sale / Redemption of Investments			
	Reliance Industries Holding Private Limited (₹ 1)	Holding Company	0.00	0.05

Notes to Financial Statements for the year ended 31st March 2020

(₹ in crore)

Sr. No.	Particulars	Relationship	2019-20	2018-19
5	Loans and advances given / (returned) [net]			
	East West Pipeline Private Limited	Subsidiary	45.68	3 573.30
	East West Pipeline Private Limited	Fellow Subsidiary	174.75	-
	EWPL Holdings Private Limited	Subsidiary	0.10	1.32
	EWPL Holdings Private Limited	Fellow Subsidiary	0.05	-
6	Receivables taken on novation Agreement (net)*			
	Reliance Industries Holding Private Limited	Holding Company	-	-
7	Sale of Services			
	Jamnagar Utilities & Power Private Limited	Fellow Subsidiary	2.68	-
	Reliance Industries Limited	Associate	3 765.08	3 506.11
8	Billing for Salaries of KMP on Deputation			
	Reliance Industries Holding Private Limited	Holding Company	-	0.04
	EWPL Holdings Private Limited	Subsidiary	-	0.85
	Jamnagar Utilities & Power Private Limited	Fellow Subsidiary	0.42	0.39
9	Sale of Traded Goods / Scrap			
	Reliance Industries Limited	Associate	0.12	7.17
10	Interest Income			
	East West Pipeline Private Limited	Subsidiary	-	2 480.31
11	Lease Rent Expenses			
	Reliance Industries Limited [₹ 2000 (Previous Year ₹ 2000)]	Associate	0.00	0.00
12	Purchase including Construction Material, Stores, Spares and Consumables			
	Reliance Industries Limited	Associate	17.58	-
13	Payment to Key Managerial Personnel			
	Shri M Sundar	Key Managerial Personnel	0.72	-
	Shri Vishvanath Indi	Key Managerial Personnel	-	1.07
	Shri Ritesh Shiyal	Key Managerial Personnel	0.70	0.59
	Ms. Mohana V	Key Managerial Personnel	0.89	0.86
14	Other Expenses			
	Reliance Industries Limited	Associate	1.09	0.53
15	Employee Benefits Expense			
	Reliance Ports And Terminals Limited Employees Provident Fund	Post Employment Benefits Plan	3.11	3.05
	Reliance Ports And Terminals Limited Employees Superannuation Scheme	Post Employment Benefits Plan	0.12	0.13
	Reliance Ports And Terminals Limited Employees Gratuity Fund	Post Employment Benefits Plan	0.18	0.50
16	Loan written off			
	EWPL Holdings Private Limited	Fellow Subsidiary	1 018.53	-
17	Write off of Interest receivable as Bad debts			
	East West Pipeline Private Limited	Fellow Subsidiary	1 455.66	-
18	Excess of liabilities over assets transferred to the Company pursuant to Scheme			
	East West Pipeline Private Limited	Subsidiary	-	7.75

* ₹ 436.56 crore paid against receivables taken in previous year.

Notes to Financial Statements for the year ended 31st March 2020

Balances as at 31st March 2020

(₹ in crore)

Sr. No.	Particulars	Relationship	As at 31st March 2020	As at 31st March 2019
1	Security Deposits Taken *			
	Reliance Industries Limited	Associate	536.73	493.46
2	Income received in Advance *			
	Reliance Industries Limited	Associate	513.27	556.54
3	Loans - Current			
	East West Pipeline Private Limited	Fellow Subsidiary	220.43	-
	EWPL Holdings Private Limited	Subsidiary	-	1 018.38

* 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:

	(₹ in crore)	
	2019-20	2018-19
(i) Short-Term Benefits	2.19	2.41
(ii) Post Employment Benefits	0.12	0.11
(iii) Other Long Term Benefits	-	-
(iv) Share Based Payments	-	-
(v) Termination Benefits	-	-
Total	2.31	2.52

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 :

- 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".
- 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 Financial Statements for the year ended 31st March 2020

(i) Primary Segment Information :

(₹ in crore)

Particulars	Port Infrastructure		Investment		Others		Unallocable		Total	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
1 Segment Revenue										
Sales and Service Income	4 017.73	3 727.29	-	-	270.40	306.60	-	-	4 288.13	4 033.89
Gross Revenue	4 017.73	3 727.29	-	-	270.40	306.60	-	-	4 288.13	4 033.89
Less: GST Recovered	245.43	229.38	-	-	38.19	33.83	-	-	283.62	263.21
Add:- Other Operating Revenue	0.29	-	-	-	0.65	0.86	-	-	0.94	0.86
Revenue from Operations*	3 772.59	3 497.91	-	-	232.86	273.63	-	-	4 005.45	3 771.54
Add:- Interest Income	-	-	1 399.26	2 829.58	0.06	-	0.02	0.01	1 399.34	2 829.59
Add:- Other Income	0.26	0.64	651.78	310.62	4.51	1.59	143.03	362.52	799.58	675.37
Total Income	3 772.85	3 498.55	2 051.04	3 140.20	237.43	275.22	143.05	362.53	6 204.37	7 276.50
2 Segment Result before Interest and Taxes	2 700.23	1 697.81	(685.98)	394.93	(96.92)	(152.75)	41.73	178.79	1 959.06	2 118.78
Less:- Finance Costs	-	-	-	-	-	-	1 366.74	1 937.70	1 366.74	1 937.70
Profit / (Loss) before Tax	2 700.23	1 697.81	(685.98)	394.93	(96.92)	(152.75)	(1 325.01)	(1 758.91)	592.32	181.08
Current Tax	-	-	-	-	-	-	236.00	720.50	236.00	720.50
Deferred Tax	-	-	-	-	-	-	917.72	(653.04)	917.72	(653.04)
Profit / (Loss) after Tax	2 700.23	1 697.81	(685.98)	394.93	(96.92)	(152.75)	(2 478.73)	(1 826.37)	(561.40)	113.62
3 Other Information										
Segment Assets	3 895.57	4 006.44	31 104.53	27 132.51	391.73	454.76	1 734.67	1 971.91	37 126.50	33 565.62
Segment Liabilities	1 381.15	1 240.56	-	-	60.09	40.91	20 005.37	15 402.27	21 446.61	16 683.74
Capital Expenditure	294.62	(2.83)	-	-	-	0.02	30.96	36.17	325.58	33.36
Depreciation and Amortisation Expenses	534.64	662.85	-	-	59.98	87.66	26.96	17.08	621.58	767.59
Material Non Cash Items other than Depreciation and Amortisation Expenses	-	-	-	2 883.83	-	-	-	-	-	2 883.83

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. During FY 2018-19, the Investment Division of East West Pipeline Limited was transferred to the Company in terms of Scheme of Arrangement referred to in Note 36.

- 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.

Notes to Financial Statements for the year ended 31st March 2020

(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 ₹ 3,557.82 crore (Previous Year ₹ 3,337.88 crore) derived from Reliance Industries Limited.

		(₹ in crore)	
		As at	As at
		31st March 2020	31st March 2019
35. Contingent Liabilities And Commitments			
(I) Contingent Liabilities (to the extent not provided for)			
(a) Claims against the Company / disputed liabilities not acknowledged as debts *		17.70	637.68
(b) Performance Guarantee		10.98	11.16
	* the disputed liabilities are not likely to have any material effect on financial position of the Company.		
(II) Commitments			
(a) Estimated amount of contracts remaining to be executed on capital accounts and not provided for in respect of Others		142.70	394.49
(b) Dividend to be paid on 9% Cumulative Redeemable Preference Shares (CRPS) being 1,88,00,000 (1,88,00,000) shares of face value of ₹ 10/- each		2.98	1.28

36. Pursuant to sanction by the Hon'ble National Company Law Tribunal, Ahmedabad Bench (NCLT) vide its Order dated 30th July, 2018 to the Scheme of Arrangement (Scheme), between the Company and East West Pipeline Private Limited (Transferor Company), Investment Division of the Transferor Company was demerged to the Company with Appointed Date 1st May 2018. No shares of the Company were issued to shareholders of Transferor Company under the Scheme. The Investment Division of Transferor Company comprised of holding of Investment in securities of companies, banks and mutual funds. The excess of liabilities (₹ 3,711.91 crore) over assets (₹ 3,704.16 crore) transferred to the Company pursuant to Scheme amounting to ₹ 7.75 crore was adjusted against balance in Capital Reserve of the Company. The figures shown in the financials of previous year are after giving effect to the Scheme.

		(₹ in crore)	
		As at	As at
		31st March 2020	31st March 2019
37. Lease Disclosures			
Lease Liabilities – Maturity Analysis			
Particulars			
Not later than 1 year		2.31	-
Later than 1 year and not later than 5 years		0.25	-
Total		<u>2.56</u>	<u>-</u>

38. Capital Management

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

- Maintain financial strength to ensure AAA ratings.
- Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.
- Proactively manage exposure in forex and interest to mitigate risk to earnings.
- 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 Financial Statements for the year ended 31st March 2020

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

	As at 31st March 2020	As at 31st March 2019
Gross Debt	17 929.89	14 303.93
Cash and Marketable Securities (refer Note 2, 8 & 10)	5 481.01	18 493.16
Net Debt (A)	12 448.89	(4 189.23)
Total Equity (As per Balance Sheet) (B)	15 679.89	16 881.88
Net Gearing (A/B)	79%	N.A.

(₹ in crore)

39. Financial Instruments

A. Fair Value Measurement Hierarchy :

(₹ in crore)

Particulars	As at 31st March 2020				As at 31st March 2019			
	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 (₹ 33,000)	5 109.68	5 004.68	105.00	0.00	20 274.34	18 464.48	1 809.86	0.00
Financial Liabilities								
At FVTOCI								
Financial Derivatives	1 298.56	-	1 298.56	-	359.79	-	359.79	-

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

The financial instruments are categorized into two 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;

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

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 :

- The fair value of investment in Fixed Maturity Plan, Mutual Funds, Bonds and Certificates of Deposit is measured at quoted price or NAV.
- 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.
- The fair value for level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis or other suitable valuation model.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
- 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 Financial Statements for the year ended 31st March 2020

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 (₹ in crore)

Particulars	As at 31st March 2020			As at 31st March 2019		
	USD	EUR	GBP	USD	EUR	GBP
Investments	-	-	-	1 384.48	-	-
Trade and Other Payables	43.30	1.83	0.36	3.48	0.79	0.41
Trade and Other Receivables	278.26	0.11	2.33	153.36	0.08	16.24
Derivatives						
Currency Swap (Nominal Value)	7 480.14	-	-	8 511.61	-	-
Net Exposure	7 801.70	1.94	2.69	10 052.93	0.87	16.65

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 (₹ in crore)

Particulars	As at 31st March 2020			As at 31st March 2019		
	USD	EUR	GBP	USD	EUR	GBP
1% Depreciation in INR						
Impact on Equity	(69.32)	-	-	(85.12)	-	-
Impact on P&L	(8.70)	(0.02)	(0.03)	(15.41)	(0.01)	(0.17)
Total	(78.02)	(0.02)	(0.03)	(100.53)	(0.01)	(0.17)
1% Appreciation in INR						
Impact on Equity	69.32	-	-	85.12	-	-
Impact on P&L	8.70	0.02	0.03	15.41	0.01	0.17
Total	78.02	0.02	0.03	100.53	0.01	0.17

Notes to Financial Statements for the year ended 31st March 2020

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 :

Particulars	Interest Rate Exposure (₹ in crore)	
	As at 31st March 2020	As at 31st March 2019
Borrowings		
Non-Current - Fixed Interest	17 929.89	14 303.93
Total	17 929.89	14 303.93
Derivatives (Nominal Value)		
Currency Swap-Floating Interest	1 214.34	1 679.81
Currency Swap-Fixed Interest	6 265.80	6 831.80
Total	7 480.14	8 511.61

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

Interest rate Sensitivity (₹ in crore)				
Particulars	As at 31st March 2020		As at 31st March 2019	
	Up Move	Down Move	Up Move	Down Move
Impact on P&L	12.14	(12.14)	16.80	(16.80)
Total	12.14	(12.14)	16.80	(16.80)

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. The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities.

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 2020 (₹ 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 ₹ 26.01 crore as prepaid finance charges

Maturity Profile as on 31st March 2019

(₹ 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*	-	-	-	5 000.00	4 000.00	5 319.08	14 319.08
Total Borrowings	-	-	-	5,000.00	4 000.00	5 319.08	14 319.08
Derivative Liabilities (Nominal Value)							
Currency Swap	108.80	225.80	981.60	2 583.88	3 125.53	1 486.00	8 511.61
Total Derivative Liabilities	108.80	225.80	981.60	2 583.88	3 125.53	1 486.00	8 511.61

* excluding ₹ 15.15 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**

(₹ 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 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 20) & Current Liabilities-Other Financial Liabilities (refer Note 23)
As at 31st March 2019						
Foreign currency risk						
Derivatives-Currency Swap	8 511.61	-	359.79	(359.79)	April 2019 to July 2026	Non Current Liabilities -Other Financial Liabilities (refer Note 20) & Current Liabilities-Other Financial Liabilities (refer Note 23)

(ii) Hedging Items

(₹ in crore)

Particulars	Nominal Value	Changes in FV	Hedge Reserve	Line Item in Balance Sheet
As at 31st March 2020				
Foreign currency risk				
Highly Probable Revenues	7 480.14	(1 298.56)	(1 298.56)	Other Equity
As at 31st March 2019				
Foreign currency risk				
Highly Probable Revenues	8 511.61	(359.79)	(359.79)	Other Equity

(iii) Movement in cash flow hedge

(₹ in crore)

Particulars	2019-20	2018-19	Line Item in Statement of Profit and Loss
At the beginning of the year	(359.79)	209.43	
Gain / (loss) recognized in Other Comprehensive Income during the year	(994.25)	(604.97)	Items that will be reclassified to Statement of Profit and Loss - Cash Flow Hedge
Hedge ineffectiveness recognized in Statement of Profit and Loss	(82.85)	-	Other Income - Income on Derivate Transactions
Amount reclassified to Statement of Profit and Loss during the year	138.33	35.75	Items that will be reclassified to Statement of Profit and Loss - Cash Flow Hedge
At the end of the year	(1 298.56)	(359.79)	

40. The figures for the corresponding previous year have been regrouped / rearranged wherever necessary, to make them comparable.
41. The Company had investments in certain subsidiaries as at 31st March 2019 and prepared the consolidated financial statements as at 31st March 2019 in terms of Section 129(3) of the Companies Act, 2013. During the year, consequent to disposal of certain investments, the Company has ceased to have any Subsidiary or Associate Company within the meaning of Companies Act, 2013. In view of the above, provisions of section 129(3) relating to preparation of consolidated financial statements do not apply to the Company for the financial year 2019-2020.
42. The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

The Company has evaluated impact of COVID -19 on its business operations and based on its review no significant impact on its financial statements is envisaged.

43. Approval of Financial Statements

The Financial Statements were approved for issue by the Board of Directors on 4th June, 2020.

**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

K R Raja
Director

Y B Prasad
Director
Place : Jamnagar

Geeta Fulwadaya
Director

Natarajan T G
Director
Place : Ahmedabad

Anuj Bhatia
Partner
Membership No. 122179

S. Anantharaman
Director
Place : Coimbatore

M Sundar
Manager

Ritesh Shiyal
Chief Financial Officer

Mohana V
Company Secretary

Place : Mumbai
Date : 4th June, 2020