

INDEPENDENT AUDITORS' REPORT

To the Members of South West Port Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **South West Port Limited** ("the Company"), which comprise the standalone balance sheet as at March 31, 2021, and the standalone statement of Profit and Loss (including other comprehensive income), standalone statement of cash flows and standalone statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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 the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the financial year ended March 31, 2021.. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the Key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.



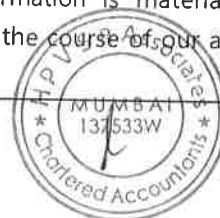
| The Key Audit Matter | Auditor's Response |
|---|--|
| Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Companies Act 2013 (as described in note 45 of the standalone financial statements) | |
| <p>We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the standalone financial statements as a key audit matter due to:</p> <ul style="list-style-type: none"> - the significance of transactions with related parties during the year ended March 31, 2021. - Related party transactions are subject to the compliance requirement under the Act. | <p>Our procedures in relation to the disclosure of related party transactions included:</p> <ol style="list-style-type: none"> a. Obtaining an understanding of the Company's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the standalone financial statements. b. Obtaining an understanding of the Company's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. c. Read minutes of shareholder meetings, board meetings and audit committee minutes regarding Company's assessment of related party transactions being in the ordinary course of business at arm's length. d. Tested, on a sample basis, related party transactions with the underlying contracts/agreements, confirmation letters and other supporting documents, as part of our evaluation of the disclosure. e. Assessing management evaluation of compliance with the provisions of Section 177 and Section 188 of the Act. f. Evaluating the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit. |

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

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

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

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



to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of the Management for the Standalone Financial Statements

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

In preparing the standalone financial statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

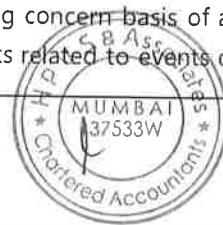
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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



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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period 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 sub-section (3) of Section 143 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 standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the standalone statement of cash flows and the standalone statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

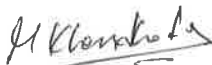


- e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting with reference to standalone financial statements of the Company 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 sub-section (16) of Section 197 of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on our examination of the records of the Company, the whole time director of the Company is holding place of profit in the Holding Company and the remuneration is paid by the Holding Company. Hence, the Company has not paid / provided for any managerial remuneration during the year. Accordingly, the provision of Section 197 of the Act is not applicable to the Company.

- h. 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, 2015, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37 of the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For HPVS & Associates.
Chartered Accountants
Firm Registration No.: 137533W



Hitesh R Khandhadia
Partner
M.No. 158148
UDIN:
Place: Mumbai
Date: May 14, 2021



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of South West Port Limited of even date)

- (i) (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) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties that have been taken on lease and disclosed as property, plant and equipment or ROU in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, reporting under paragraph 3 (iii) (a), (b) and (c) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. Accordingly, compliance under Section 185 of the Act is not applicable to the Company. According to the information and explanations given to us, the provisions of Section 186 of the Act in respect of the loans given, guarantees given or securities provided are not applicable to the Company, since it is covered as a company engaged in business of providing infrastructural facilities. The Company has not made any investments during the year. Accordingly, compliance under Section 186 of the Act in respect of investment made during the year is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, reporting under paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148 of the Act. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under sub-section 1 of section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us, and the records of the company examined



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

- (b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, duty of excise, value added tax, and cess which have not been deposited on account of any dispute except as follows:

| Name of the Statute | Nature of the Dues | Amount* (Rs. in Lakhs) | Period to which the amount relates | Forum where dispute is pending |
|--------------------------|--------------------|---------------------------|------------------------------------|---|
| The Income Tax Act, 1961 | Income tax | 46.30 | A.Y. 2011-12 | ITAT – (remanded back to Assessing Officer) |
| | | 1.95 | A.Y. 2014-15 | Assessing Officer |
| | | 8.23 | A.Y. 2015-16 | Assessing Officer |
| | | 220.80 | A.Y. 2017-18 | Assessing Officer |
| | | 10.40 | A.Y. 2018-19 | Assessing Officer |

*Net of amounts paid under protest

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to the banks during the year. The Company has not taken any loan from a financial institution, government or by way of issue of debentures.
- (ix) According to the information and explanations given to us, the Company has not raised moneys by way of public offer (including debt instruments). Based on our audit procedures and according to the information and explanations given to us, in our opinion, the Term loans were availed by the Company were, prima facie, applied for the purpose for which they were obtained.
- (x) According to the information and explanations given to us and based on our examination of the records of the Company, the Whole Time Director of the Company is holding place of profit in the Holding Company and remuneration is paid to him by the Holding Company. However, the Company has not paid/provided for any managerial remuneration during the year in accordance with the provisions of section 197 read with Schedule V of the Act. Accordingly, the provision of clause 3(xi) of the Order is not applicable to the Company.
- (xi) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under paragraph 3 (xii) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, transactions during the year with the related parties were approved by the Audit Committee and are in compliance with section 177 of the Act where applicable and since the said transactions were in the ordinary course of business of the company and were at arm's length basis, the provisions of section 188 are not applicable, and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- (xiii) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year.



- (xiv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, in our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xv) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3 (xvi) of the Order is not applicable to the Company.

For HPVS & Associates.
Chartered Accountants
Firm Registration No.: 137533W



Hitesh R Khandhadia
Partner
M.No. 158148
UDIN:
Place: Mumbai
Date: May 14, 2021



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting of **South West Port Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial



statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

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

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

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

For HPVS & Associates.

Chartered Accountants

Firm Registration No.: 137533W



Hitesh R Khandhadia

Partner

M.No. 158148

UDIN:

Place: Mumbai

Date: May 14, 2021



SOUTH WEST PORT LIMITED
Standalone Balance Sheet as at 31st March, 2021
CIN : U45203GA1997PLC002369

₹ in Lakhs

| Particulars | Note no. | As at 31st March 2021 | As at 31st March 2020 |
|--|----------|--------------------------|--------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 2 | 93.34 | 105.62 |
| Right-of-use assets | 3 | 5,162.99 | 5,816.92 |
| Intangible assets | 4 | 27,147.88 | 30,363.05 |
| Intangible assets under development | 5 | 64.49 | 78.45 |
| Investments in associates | 6 | 8,788.00 | 6,812.00 |
| Financial assets | | | |
| Investments | 7 | 45,000.00 | - |
| Loan | 8 | 2,884.08 | 2,979.08 |
| Others financial assets | 9 | 8.82 | 8.61 |
| Other non current assets | 10 | 1,316.62 | 319.95 |
| Deferred tax assets (net) | 18 | 2,745.28 | 3,476.80 |
| Total non-current assets | | 93,211.50 | 49,960.48 |
| Current assets | | | |
| Inventories | 11 | 933.41 | 879.48 |
| Financial assets | | | |
| Investments | 12 | - | 2,935.35 |
| Trade receivables | 13 | 6,206.18 | 7,579.95 |
| Cash and cash equivalents | 14 | 2,192.67 | 128.79 |
| Bank balances other than cash and cash equivalents | 15 | 1,003.17 | - |
| Loans | 16 | 11,299.93 | 12,625.73 |
| Others financial assets | 17 | 4,038.47 | 2,875.01 |
| Current tax assets (Net) | 18 | 128.61 | 288.20 |
| Other current assets | 19 | 814.02 | 1,305.00 |
| Total current assets | | 26,616.46 | 28,617.51 |
| Total assets | | 1,19,827.96 | 78,577.99 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 20 | 4,620.00 | 4,620.00 |
| Other equity | 21 | 65,326.59 | 59,697.76 |
| Total equity | | 69,946.59 | 64,317.76 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 22 | 33,917.46 | - |
| Other financial liabilities | 23 | 5,079.81 | 5,408.92 |
| Provisions | 24 | 137.90 | 115.39 |
| Other non-current liabilities | 25 | 2,049.76 | 2,322.65 |
| Total non-current liabilities | | 41,184.93 | 7,846.96 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Trade payables | | | |
| Total outstanding, due of micro and small enterprises | 26 | 31.48 | 14.40 |
| Total outstanding, due of creditors other than micro and small enterprises | 26 | 1,107.19 | 3,670.03 |
| Other financial liabilities | 27 | 6,927.77 | 2,332.34 |
| Other current liabilities | 28 | 586.50 | 364.36 |
| Provisions | 29 | 43.50 | 32.14 |
| Total current liabilities | | 8,696.44 | 6,413.27 |
| Total equity and liabilities | | 1,19,827.96 | 78,577.99 |

The accompanying notes form an integral part of standalone financial statements

As per our attached report of even date

For H P V S & Associates
Chartered Accountant
Firm Registration No: 137533W



Hitesh R Khandhadia
Partner
Membership No. 158148
UDIN : 21158148AAAABI3354
Place: Mumbai
Date: 14th May 2021



For and on behalf of the Board of Directors


Sanjay Kumar Rath
Director
DIN : 06763802


Ashwini Saxena
Director
DIN : 08627026


Gazal Qureshi
Company Secretary
M. No. A16843


Brijmohan Mantri
Chief Financial Officer
PAN: AJPPM1778B

SOUTH WEST PORT LIMITED
Standalone Statement of Profit and Loss for the year ended 31st March, 2021

₹ in Lakhs (Except EPS)

| Particulars | Note no. | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|---|----------|---------------------------------------|---------------------------------------|
| INCOME | | | |
| Revenue from operations | 30 | 24,439.65 | 19,979.39 |
| Other income | 31 | 3,834.72 | 2,932.27 |
| Total income (1) | | 28,274.37 | 22,911.66 |
| EXPENSES | | | |
| Operating expenses | 32 | 13,019.80 | 13,548.20 |
| Employee benefits expense | 33 | 2,023.47 | 1,245.64 |
| Finance costs | 34 | 2,302.25 | 12.86 |
| Depreciation and amortisation expense | 35 | 4,285.21 | 4,339.91 |
| Other expenses | 36 | 862.53 | 861.69 |
| Total expenses (2) | | 22,493.26 | 20,008.30 |
| Profit before tax (1-2) | | 5,781.11 | 2,903.36 |
| Tax expense | | | |
| Current tax | 18 | 1,739.94 | 988.11 |
| Deferred tax | 18 | (34.16) | (631.15) |
| Profit for the year (3) | | 4,075.33 | 2,546.40 |
| Other comprehensive income | | | |
| (i) Items that will not be reclassified to profit and loss | | | |
| Remeasurements of defined benefit plans | | 5.82 | (32.60) |
| Income tax relating to items that will not be reclassified to profit and loss | | (1.69) | 9.49 |
| Total other comprehensive income/(loss) for the year (4) | | 4.13 | (23.09) |
| Total comprehensive income for the year (3+4) | | 4,079.46 | 2,523.31 |
| Earnings per equity share (₹) | | | |
| (Face value of equity share of ₹ 10 each) | | | |
| Basic (₹) | 56 | 8.82 | 5.51 |
| Diluted (₹) | 56 | 8.82 | 5.51 |

The accompanying notes form an integral part of standalone financial statements

As per our attached report of even date

For and on behalf of the Board of Directors

For H P V S & Associates
Chartered Accountant
Firm Registration No: 137533W


Hitesh R Khandhadia
Partner
Membership No. 158148
UDIN : 21158148AAAABI3354
Place: Mumbai
Date: 14th May 2021




Sanjay Kumar Rath
Director
DIN : 06763802


Gazal Qureshi
Company Secretary
M. No. A16843


Ashwini Saxena
Director
DIN : 08627026


Brijmohan Mantri
Chief Financial Officer
PAN: AJPPM1778B

SOUTH WEST PORT LIMITED

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

A) Equity share capital

₹ in Lakhs

| Balance as at 1st April, 2020 | Movement during the year | Balance as at 31st March, 2021 |
|----------------------------------|--------------------------|-----------------------------------|
| 4,620.00 | - | 4,620.00 |

| Balance as at 1st April, 2019 | Movement during the year | Balance as at 31st March, 2020 |
|----------------------------------|--------------------------|-----------------------------------|
| 4,620.00 | - | 4,620.00 |

B) Other equity

₹ in Lakhs

| Particulars | Retained earnings | ESOP compensation reserves | Total equity attributable to equity holders of the company |
|---|-------------------|----------------------------|--|
| Balance as at 1st April, 2020 | 58,982.90 | 714.86 | 59,697.76 |
| Profit for the year | 4,075.33 | - | 4,075.33 |
| Remeasurements gain on defined benefit plans (net of tax) | 4.13 | - | 4.13 |
| Recognition of share based payment | - | 1,029.37 | 1,029.37 |
| Corporate guarantee impact | 520.00 | - | 520.00 |
| Balance as at 31st March, 2021 | 63,582.36 | 1,744.23 | 65,326.59 |

₹ in Lakhs

| Particulars | Retained earnings | ESOP compensation reserves | Total equity attributable to equity holders of the company |
|---|-------------------|----------------------------|--|
| Balance as at 1st April, 2019 | 56,459.59 | 603.58 | 57,063.17 |
| Profit for the year | 2,546.40 | - | 2,546.40 |
| Remeasurements loss on defined benefit plans (net of tax) | (23.09) | - | (23.09) |
| Recognition of share based payment | - | 111.28 | 111.28 |
| Balance as at 31st March, 2020 | 58,982.90 | 714.86 | 59,697.76 |

As per our attached report of even date

For and on behalf of the Board of Directors

For H P V S & Associates

Chartered Accountant

Firm Registration No: 137533W

H R Khandhadia

Hitesh R Khandhadia

Partner

Membership No. 158148

UDIN : 21158148AAAAABI3354

Place: Mumbai

Date: 14th May 2021



Sanjay Kumar Rath

Sanjay Kumar Rath

Director

DIN : 06763802

Gazal Qureshi

Gazal Qureshi

Company Secretary

M. No. A16843

Ashwini Saxena

Ashwini Saxena

Director

DIN : 07099121

Brijmohan Mantri

Brijmohan Mantri

Chief Financial Officer

PAN: AJPPM1778B

SOUTH WEST PORT LIMITED
Standalone Statement of Cash Flows for the year ended 31st March, 2021

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|--|---------------------------------------|---------------------------------------|
| [A] CASH flow from Operating Activities | | |
| Profit before tax | 5,781.11 | 2,903.36 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 4,285.21 | 4,339.91 |
| Finance costs | 2,302.25 | 12.86 |
| Share based payment expenses | 1,029.37 | 111.28 |
| Interest income | (3,385.14) | (1,697.97) |
| Financial guarantee Income | (34.03) | (38.65) |
| Government grant incentive income | 285.97 | (343.94) |
| EPCG obligation | (238.86) | (239.52) |
| Profit on sale of investments (net) | (44.21) | (151.75) |
| Impact of fair valuation of mutual fund | - | (59.00) |
| (Profit)/ loss on sale of fixed assets (net) | 23.06 | - |
| Operating profit before working capital changes | 10,004.74 | 4,836.60 |
| Adjustments for: | | |
| (Increase)/ decrease in inventories | (53.93) | (59.83) |
| (Increase)/ decrease in trade receivables | 1,373.77 | (3,038.22) |
| (Increase)/ decrease in other assets | 625.95 | (106.76) |
| Increase/ (decrease) in trade payable | (2,545.76) | 970.59 |
| Increase/ (decrease) in and other liabilities | (1,176.29) | 26.91 |
| Increase/ (decrease) in provisions | 11.35 | 0.49 |
| | (1,764.91) | (2,206.82) |
| Cash generated from operating activities | 8,239.83 | 2,629.78 |
| Direct taxes paid | (1,203.30) | (995.33) |
| Net cash generated from operating activities [A] | 7,036.53 | 1,634.45 |
| [B] Cash flow from investing activities | | |
| Inflows | | |
| Sale of current investments | 2,979.55 | 18,764.40 |
| Redemption of fixed deposit | - | 349.34 |
| Loan received back | 1,515.80 | 2,052.73 |
| Interest received | 1,655.65 | 777.89 |
| | 6,151.00 | 21,944.35 |
| Outflows | | |
| Purchase of property plant and equipment including CWIP, Capital advances and Capital Creditors and Intangible asset | 412.94 | 195.20 |
| Purchase of investments (net) | - | 18,303.00 |
| Investment in bank deposits not considered as Cash and Cash equivalent | 1,003.17 | - |
| Loan given | - | 780.00 |
| Investment made in associate company | 1,976.00 | 3,498.56 |
| Investments in Non Convertible Debenture | 45,000.00 | - |
| | 48,392.11 | 22,776.76 |
| Net cash used in investing activities [B] | (42,241.11) | (832.41) |
| [C] Cash flow from financing activities | | |
| Inflows | | |
| Proceeds from long-term borrowings | 40,000.00 | - |
| Proceeds from short-term borrowings | 2,500.00 | 1,500.00 |
| | 42,500.00 | 1,500.00 |
| Outflows | | |
| Repayments of long-term borrowings | 400.00 | - |
| Repayment of short term-borrowings | 2,500.00 | 1,500.00 |
| Interest paid | 1,541.47 | 2.99 |
| Repayment of lease liabilities/finance lease obligation | 790.07 | 775.74 |
| | 5,231.54 | 2,278.73 |
| Net cash generated from financing activities [C] | 37,268.46 | (778.73) |
| Net increase / (decrease) in cash and bank balances (A+B+C) | 2,063.88 | 23.31 |
| Cash and cash equivalents at beginning of the year | 128.79 | 105.48 |
| Cash and cash equivalents at end of the year | 2,192.67 | 128.79 |



SOUTH WEST PORT LIMITED
Standalone Statement of Cash Flows for the year ended 31st March, 2021 (Contd.)

Notes:

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7)-Statement of Cash Flows.

(b) Cash and cash equivalents comprises of

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|---|--------------------------|--------------------------|
| Cash on hand | 0.37 | 0.40 |
| Balances with banks: | | |
| In current accounts | 114.54 | 128.39 |
| Fixed deposits with banks with maturity less than 3 months | 2,077.76 | - |
| Cash and cash equivalents in Statement of Cash Flows | 2,192.67 | 128.79 |

Reconciliation Part of Cash Flows

| Particulars | As at 31st March, 2020 | Cash flows | Non cash changes | | As at 31st March, 2021 |
|---|---------------------------|------------------|------------------------------|--------------------|---------------------------|
| | | | Foreign exchange movement | Fair value changes | |
| Borrowings other than finance lease obligation (including current maturities of long-term borrowing included in other financial liabilities in refer note 22) | - | 39,600.00 | - | (1,162.93) | 38,437.07 |
| Lease Obligations (including current maturities) | 5,696.88 | (790.07) | - | 526.57 | 5,433.38 |
| Total liabilities from financing activities | 5,696.88 | 38,809.93 | - | (636.36) | 43,870.45 |

| Particulars | As at 31st March, 2019 | Cash flows | Non cash changes | | As at 31st March, 2020 |
|---|---------------------------|-----------------|------------------------------|--------------------|------------------------|
| | | | Foreign exchange movement | Fair value changes | |
| Borrowings other than finance lease obligation (including current maturities of long-term borrowing included in other financial liabilities in refer note 22) | - | - | - | - | - |
| Lease Obligations (including current maturities) | - | (775.74) | - | 6,472.63 | 5,696.88 |
| Total liabilities from financing activities | - | (775.74) | - | 6,472.63 | 5,696.88 |

As per our attached report of even date

For and on behalf of the Board of Directors

For H P V S & Associates

Chartered Accountant

Firm Registration No: 137533W

H R Khandhadia

Hitesh R Khandhadia

Partner

Membership No. 158148

UDIN : 21158148AAAABI3354

Place: Mumbai

Date: 14th May 2021



Sanjay Kumar Rath

Sanjay Kumar Rath

Director

DIN : 06763802

Gazal Qureshi

Gazal Qureshi

Company Secretary

M. No. 16843

Ashwini Saxena

Ashwini Saxena

Director

DIN : 08627026

Brijmohan Mantri

Brijmohan Mantri

Chief Financial Officer

PAN: AJPPM1778B

SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

1. General information

South West Port Limited is a public limited company, domiciled in India and incorporated in under the provision of Companies Act applicable in India.

The Company is engaged in developing and operating mechanized modern ports and Marine transport at suitable locations over the country to support JSW Group in addition to catering to third party cargo handling requirement. Apart from this, the Company is also planning to undertake various logistic related activities like Shipping, Roads, Railways, Marine Infrastructures, etc.

SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

I. Statement of compliance

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

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "standalone financial statements").

These standalone financial statements are approved for issue by the Board of Directors on 14th May, 2021

II. Basis of preparation of standalone financial statements

The standalone Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

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

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

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

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

The standalone Financial Statement is presented in INR and all values are rounded to the nearest lakhs except when otherwise stated.

Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

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

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

Deferred tax assets and liabilities are classified as non-current only.



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

1. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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

Income from fixed price contract – Revenue from infrastructure development project/ services under fixed price contract. Where there is no uncertainty as to measurement or collectability of consideration is recognized based on milestones reached under the contract.

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

2. Other Income

Other income is comprised primarily of interest income, mutual fund income, exchange gain/ loss. All Financial Assets measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate exactly discounts the estimated cash payments or receipt over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of financial liability. When calculating the EIR, the Company estimates the expected cash flow by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Mutual fund is recognized at fair value through Profit and Loss.

Income from Services Exports from India Scheme ('SEIS') incentives under Government's Foreign Trade Policy 2015-20 on the port services income is recognised based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS licenses are classified as 'Other current assets (refer note 19)''.

3. Leases

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

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

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

| Class of assets | Years |
|-----------------|----------------|
| Buildings | 2 and 10 years |

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test. Refer to the accounting policies no. 12 for Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

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



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

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

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below ₹ 50,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

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

The weighted average incremental borrowing rate applied to the newly recognised lease liabilities pursuant to Ind AS 116.

4. Foreign Currency transactions

The standalone financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

5. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of the asset, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

6. Government Grant

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that the grants will be received.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of profit and loss over the expected useful lives of the assets concerned.

7. Employee Benefits

Retirement benefit costs and termination benefits:

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

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment or when the company recognizes corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

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

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

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

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

Short-term and other long-term employee benefits

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

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

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

8. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 46.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from Equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

9. Taxes

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

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

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

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

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

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

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

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

10. Property, Plant and Equipment

Property, plant and equipment are measured at acquisition cost less accumulated depreciation and accumulated impairment losses. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method as prescribed under Part C of schedule II of the Companies Act, 2013 except for the assets mentioned below for which useful life estimated by the management. The Identified components of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets.

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

| Assets | Estimated useful lives |
|---------------------|------------------------|
| Building | 5-28 Years |
| Plant and Machinery | 2-18 Years |



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

| | |
|------------------------|------------|
| Office equipment | 3-20 Years |
| Computer equipment | 3-6 Years |
| Furniture and fixtures | 5-15 Years |
| Vehicles | 5-10 Years |

Freehold land is not depreciated

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the standalone financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed-off are reported at the lower of the carrying value or the fair value less cost to sell.

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.



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

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

11. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The cost of intangible assets having finite lives, which are under development and before put to use, are disclosed as 'Intangible Assets under development.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

| Assets | Estimated useful lives |
|-------------------|------------------------|
| Computer Software | 3 – 5 Years |

Port concession rights arising from Service Concession/Sub-Concession

The Company recognizes port concession rights as "Intangible Assets" arising from a service concession arrangement, in which the grantor controls or regulates the services provided and the prices charged, and also controls any significant residual interest in the infrastructure such as property, plant and equipment, even if the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Company as part of the service concession arrangement. The Company acts as the operator in such arrangement. Such an intangible asset is recognized by the Company at cost which is fair value of the consideration received or receivable for the construction services delivered and is capitalized when the project is complete in all respects and the Company receives the completion certificate from the authorities as specified in the concession agreement.

Port concession rights also include certain property, plant and equipment which are reclassified as intangible assets in accordance with Appendix A of Ind AS 11 'Service Concession Arrangement'.

These assets are amortized based on the lower of their useful lives or concession period.

Gains or losses arising from de-recognition of port concession rights are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit or loss when the assets is de-recognized.

The estimated period of port concession arrangement ranges within a period of 25-30 years.



12. Impairment of Property, plant and equipment and intangible assets other than goodwill

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease to the extent of revaluation reserve.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

13. Inventories

Consumables, construction materials and stores and spares are valued at lower of cost and net realizable value. Obsolete, defective, unserviceable and slow/ non-moving stocks are duly provided for. Cost is determined by the weighted average cost method. Net Realizable Value in respect of stores and spares is the estimated current procurement price in the ordinary course of the business.

14. Investment in subsidiaries, associates and Joint ventures

Investment in subsidiaries, associates are shown at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.



15. Fair Value Measurement

The Company measures financial instruments at fair value in accordance with accounting policies at each reporting 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 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:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of asset or a liability is measured using the assumptions that market participants would use in pricing the asset or liability, assuming that market participant act in their economic best interest.

A fair value measurement of a non-financing asset takes into account a market participant's ability to generate economic benefit 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Balance Sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

Financial Instruments

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

a) Investments and other financial assets:

Classification

The Company classifies its financial assets in the following measurement categories:

- i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- ii) those measured at amortized cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Sub-sequent measurement

After initial recognition, financial assets are measured at:

- i) fair value (either through other comprehensive income or through profit or loss) or,
- ii) amortized cost

Debt instruments

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any, the amortization of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.



Measured at fair value through other comprehensive income (FVTOCI): Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

Gains or Losses on De-recognition

In case of investment in equity instruments classified as the FVTOCI, the gains or losses on de-recognition are re-classified to retained earnings.

In case of Investments in debt instruments classified as the FVTOCI, the gains or losses on de-recognition are reclassified to statement of Profit and Loss.

Measured at fair value through profit or loss (FVTPL): A financial asset not classified as either amortised cost or FVTOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Gains or Losses on De-recognition

In case of investment in equity instruments classified as the FVTOCI, the gains or losses on de-recognition are re-classified to retained earnings.

In case of Investments in debt instruments classified as the FVTOCI, the gains or losses on de-recognition are reclassified to statement of Profit and Loss.

De-recognition

A financial asset is de-recognised only when

- i) The Company has transferred the rights to receive cash flows from the financial asset or
- ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.



Impairment

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

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

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Income recognition

Effective Interest Method

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

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

b) Financial liabilities & Equity Instruments

Equity Instruments

The Company subsequently measures all investments in equity instruments at fair value. The Management of the Company has elected to present fair value gains and losses on its investment equity instruments in other comprehensive income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial liabilities

Classification as debt or equity Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

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



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Subsequent measurement Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires

Offsetting financial instruments

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

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

| Original classification | Revised classification | Accounting treatment |
|-------------------------|------------------------|---|
| Amortised cost | FVTPL | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in Statement of Profit and Loss. |
| FVTPL | Amortised Cost | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount. |



SOUTH WEST PORT LIMITED**Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021**

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

16. Cash and Cash Equivalents

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

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

17. Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated

18. Provisions, Contingent liabilities, Contingent assets and Commitments

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

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

Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

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

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events, when the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Onerous Contracts - Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

19. Earnings per Equity Share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

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

20. The Company is primarily engaged in one business segment, namely developing, operating and maintaining the Ports services, Ports related Infrastructure development activities and development of infrastructure as determined by chief operational decision maker, in accordance with Ind-AS 108 "Operating Segment".



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

21. Recent Accounting Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Current maturity of long term debt to be shown under Short term borrowing as a separate line item.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for aging schedule of trade receivables, trade payables, capital work-in-progress and intangible assets under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Disclosure of some ratios (Current ratio, Debt-Equity ratio, ROCE, ROE etc.)

Statement of profit and loss:

- Additional disclosures relating to Corporate Social responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of standalone financial statements.

The amendments are extensive and the company will evaluate the same to give effect to them as required by law.

22. New and amended standards adopted by the company

There is no new standard notified by Ministry of Corporate Affairs (“MCA”).



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

III. Key sources of Estimation Uncertainty and Critical Accounting Judgments

The preparation of the Company's standalone financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future period.

Key Sources of Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful lives and the expected residual value at the end of its lives. The useful lives and residual values of Company's assets are determined by Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Impairment of investments in subsidiaries and associates

Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capacity utilisation of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies as more fully described. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

Impairment of financial assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss. 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.

Taxes

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a specified period in which MAT credit arises, subject to the limits prescribed.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making



SOUTH WEST PORT LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

Contingencies

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

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



Note 2:- Property, plant and equipment

₹ in Lakhs

| Particulars | Freehold Land | Office equipments | Computers | Vehicles | Total |
|----------------------------------|---------------|-------------------|--------------|--------------|---------------|
| Cost: | | | | | |
| As at 1st April 2019 | 14.02 | 129.17 | 22.90 | 28.64 | 194.73 |
| Additions | - | 12.31 | 1.95 | - | 14.26 |
| Disposals/transfers | - | 0.71 | - | - | 0.71 |
| As at 31st March 2020 | 14.02 | 140.77 | 24.85 | 28.64 | 208.28 |
| Additions | - | 6.82 | 16.62 | - | 23.44 |
| Disposals/transfers | - | - | - | - | - |
| As at 31st March, 2021 | 14.02 | 147.59 | 41.47 | 28.64 | 231.72 |
| Accumulated Depreciation: | | | | | |
| As at 1st April 2019 | - | 49.87 | 14.95 | 10.18 | 74.99 |
| Depreciation charge for the year | - | 22.06 | 2.76 | 3.56 | 28.38 |
| Disposals/transfers | - | 0.71 | - | - | 0.71 |
| As at 31st March 2020 | - | 71.22 | 17.71 | 13.74 | 102.66 |
| Depreciation charge for the year | - | 25.50 | 6.66 | 3.55 | 35.71 |
| Disposals/transfers | - | - | - | - | - |
| As at 31st March, 2021 | - | 96.72 | 24.37 | 17.29 | 138.38 |
| Net book value | | | | | |
| As at 1st April 2019 | 14.02 | 79.30 | 7.96 | 18.46 | 119.74 |
| As at 31st March 2020 | 14.02 | 69.55 | 7.15 | 14.91 | 105.62 |
| As at 31st March, 2021 | 14.02 | 50.87 | 17.10 | 11.35 | 93.34 |

Refer note no. 22.1 for the details in respect of certain property, plant & equipments hypothecated / mortgaged as security for borrowings.

NOTE 3 :- Right-of-use assets

₹ in Lakhs

| Particulars | Buildings | Total |
|---|-----------------|-----------------|
| Cost: | | |
| As at 1st April, 2019 | | |
| Recognition on initial application of Ind-AS 116 as at April 01, 2019 (refer note [1(II)(3)]) | 6,470.86 | 6,470.86 |
| Reclassified on the account of adoption of Ind AS 116 | - | - |
| Additions | - | - |
| Disposals /transfers | - | - |
| As at 31st March 2020 | 6,470.86 | 6,470.86 |
| Additions | - | - |
| Add/Less: translation adjustments | - | - |
| As at 31st March, 2021 | 6,470.86 | 6,470.86 |
| Accumulated Depreciation: | | |
| As at 1st April, 2019 | - | - |
| Reclassified on the account of adoption of Ind AS 116 | - | - |
| Depreciation for the year | 653.94 | 653.94 |
| Disposals /transfers | - | - |
| As at 31st March 2020 | 653.94 | 653.94 |
| Depreciation for the year | 653.94 | 653.94 |
| Amortisation charge for the year | - | - |
| As at 31st March, 2021 | 1,307.87 | 1,307.87 |
| Net book value | | |
| As at 1st April 2019 | 6,470.86 | 6,470.86 |
| As at 31st March 2020 | 5,816.92 | 5,816.92 |
| As at 31st March, 2021 | 5,162.99 | 5,162.99 |

Note 3(a) Following are the amounts recognised in statement of profit or loss:

₹ in Lakhs

| Particulars | Buildings | Total |
|---|-----------------|-----------------|
| Depreciation expense of Right-of-Use Assets | 653.94 | 653.94 |
| Interest expense on Lease Obligation | 526.57 | 526.57 |
| Rent expense - short-term leases and leases of low value assets | 138.50 | 138.50 |
| Total amounts recognised in profit or loss | 1,319.01 | 1,319.01 |

Note 3(b) The Company had total cash outflows for leases of ₹ 790.07 lakhs in March 31, 2021 (PY - ₹ 775.74 lakhs). There are no non cash additions to right-of-use assets and lease liabilities. There are no future cash outflows relating to leases that have not yet commenced.



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

₹ in Lakhs

Note 4:- Other intangible assets

| Particulars | Port infrastructure rights(refer note [1(I)](11)) | | | Computer Software | Total |
|----------------------------------|---|---------------------|------------------------|-------------------|------------------|
| | Buildings | Plant and Machinery | Furniture and Fittings | | |
| Cost: | | | | | |
| As at 1st April 2019 | 14,027.56 | 32,409.85 | 36.52 | 121.42 | 46,595.35 |
| Additions | - | 275.23 | - | - | 275.23 |
| Disposals /transfers | 31.27 | 195.77 | - | - | 227.04 |
| As at 31st March 2020 | 13,996.29 | 32,489.31 | 36.52 | 121.42 | 46,643.54 |
| Additions | 86.24 | 316.10 | - | 1.11 | 403.46 |
| Disposals /transfers | - | 114.93 | - | - | 114.93 |
| As at 31st March, 2021 | 14,082.53 | 32,690.48 | 36.52 | 122.53 | 46,932.07 |
| Accumulated amortisation: | | | | | |
| As at 1st April 2019 | 3,920.39 | 8,822.35 | 16.27 | 90.95 | 12,849.95 |
| Amortisation charge for the year | 1,069.35 | 2,573.07 | 3.59 | 11.57 | 3,657.59 |
| Disposals /transfers | 31.27 | 195.79 | - | - | 227.05 |
| As at 31st March 2020 | 4,958.47 | 11,199.63 | 19.86 | 102.53 | 16,280.49 |
| Amortisation charge for the year | 1,060.79 | 2,520.56 | 4.03 | 10.18 | 3,595.56 |
| Disposals /transfers | - | 91.86 | - | - | 91.86 |
| As at 31st March, 2021 | 6,019.26 | 13,628.34 | 23.88 | 112.71 | 19,784.19 |
| Net book value: | | | | | |
| As at 1st April 2019 | 10,107.17 | 23,587.50 | 20.26 | 30.47 | 33,745.39 |
| As at 31st March 2020 | 9,037.82 | 21,289.67 | 16.66 | 18.89 | 30,363.05 |
| As at 31st March, 2021 | 8,063.27 | 19,062.14 | 12.64 | 9.83 | 27,147.88 |

Refer note 37 for the details in respect of certain intangible assets hypothecated/ mortgaged as security for bank guarantees.

Refer note 22.1 for the details in respect of certain intangible assets hypothecated/ mortgaged as security for availing a term loan from IndusInd Bank.

The company has given Renting of Equipment 2 nos Mobile Harbour Crane of Liebherr to its fellow subsidiary for a rental of ₹ 25.00 lakhs per month

Note 5:- Intangible assets under development

₹ in Lakhs

| Particulars | Total |
|-------------------------------|--------------|
| Cost: | |
| As at 1st April 2019 | 172.75 |
| Additions | 348.86 |
| Disposals /transfers | 443.16 |
| As at 31st March, 2020 | 78.45 |
| Additions | 412.94 |
| Disposals /transfers | 426.90 |
| As at 31st March, 2021 | 64.49 |

Note 6:- Investments in Associates

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|--|-----------------------|-----------------------|
| Investment in Equity Instruments | | |
| Unquoted | | |
| Associates (At cost or deemed cost) | | |
| JSW Paradip Terminal Private Limited | 3,900.00 | 3,900.00 |
| 3,90,00,000 Equity shares of ₹ 10/- each (PY 3,90,00,000 Equity shares of ₹ 10/- each) | | |
| Paradip East Quay Coal Terminal Private Limited | 4,576.00 | 2,600.00 |
| 4,19,32,396 Equity shares of ₹ 10/- each (PY 2,60,00,000 Equity shares of ₹ 10/- each) | | |
| Other Investments: | | |
| Addition on account of Corporate guarantee given to JSW Paradip Terminal Private Limited | 312.00 | 312.00 |
| | 8,788.00 | 6,812.00 |
| Aggregate amount of carrying value of unquoted investments | 8,788.00 | 6,812.00 |
| Aggregate amount of impairment in value of investments | - | - |

Note 7:- Non current financial assets - Investments

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|--|-----------------------|-----------------------|
| Unquoted Non-Convertible Debenture (NCD) (At amortised cost) | | |
| Ennore Bulk Terminal Private Limited formerly known as Chettinad International Bulk Terminal Private Limited | 15,000.00 | - |
| (1,500 NCDs (31st March 2020 -NIL) of ₹ 10 Lakhs each with Interest rate of 10.95%) | | |
| Mangalore Coal Terminal Private Limited formerly known as Chettinad Mangalore Coal Terminal Private Limited | 30,000.00 | - |
| (3,000 NCDs (31st March 2020 -NIL) of ₹ 10 Lakhs each with Interest rate of 10.95%) | | |
| | 45,000.00 | - |

Note: The NCD shall be redeemable on the basis of the following terms at the option of the issuer:

On maturity the Issuer shall pay the NCD's holder the Face Value of ₹ 10 Lakhs each. Provided further that Issuer shall have the right to redeem the NCD's any time during the Tenure, either in part or in full and in one or more tranches, by giving 2 days notice in writing, along with interest accrued @ 10.95% p.a. after adjusting the amount of TDS paid/payable for such number of NCD as it intends to redeem.



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 8:- Non current financial assets - Loan

₹ in Lakhs

| Particulars | As at | As at |
|---|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Unsecured, considered good | | |
| Loans to related parties* (refer note 45) | 2,884.08 | 2,979.08 |
| | 2,884.08 | 2,979.08 |
| Note: | | |
| Loans receivable considered good: Secured | - | - |
| Loans receivable considered good: Unsecured | 2,884.08 | 2,979.08 |
| Loans receivable which have significant increase in Credit Risk | - | - |
| Loans receivable - credit impaired | - | - |
| Loans and advances to other body corporate | - | - |
| Loans and advances to related parties | - | - |
| | 2,884.08 | 2,979.08 |

*For business purpose

Note 9:- Non current financial assets - Others

₹ in Lakhs

| Particulars | As at | As at |
|-----------------------------------|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Unsecured, considered good | | |
| Security deposits* | 8.82 | 8.61 |
| | 8.82 | 8.61 |

* Security deposits represents various deposits given to rental, membership fees, etc.

Note 10:- Non current assets - Others

₹ in Lakhs

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Unsecured, considered Good | | |
| Security deposits* | 179.68 | 173.16 |
| Financial Guarantee Assets (refer note 45) | 656.24 | - |
| Balance with government authorities | 480.70 | 146.79 |
| | 1,316.62 | 319.95 |

* Security deposits represents various deposits given to electricity, rental, sales tax department, etc.

NOTE 11:- Inventories

₹ in Lakhs

| Particulars | As at | As at |
|-----------------------|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Inventories (At cost) | | |
| Stores & spares | 933.41 | 879.48 |
| | 933.41 | 879.48 |

Cost of inventory recognised as an expense for the year ended 31st March 2021 ₹ 466.51 lakhs (PY ₹ 487.52 lakhs)

Write down of inventories to net realisable value is Nil (PY – ₹ 57.54 lakhs). These were recognised as an expense during the year.

NOTE 12:- Current financial assets - Investments

₹ in Lakhs

| Particulars | As at 31st March 2021 | | As at 31st March 2020 | |
|--|-----------------------|--------|-----------------------|-----------------|
| | No. of units | Amount | No. of units | Amount |
| Investment in Mutual Fund measured at Fair Value Through Profit or Loss (quoted) | | | | 2,935.35 |
| Total | | | | 2,935.35 |
| Aggregate amount of Quoted investments | | | | |
| Book value | | - | | 2,876.36 |
| Market value | | - | | 2,935.35 |

NOTE 13:- Trade Receivables

₹ in Lakhs

| Particulars | As at | As at |
|---|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Trade Receivables considered good - Secured | - | - |
| Trade Receivables considered good - Unsecured including related parties (refer note 45) | 6,207.99 | 7,581.76 |
| Trade Receivables which have significant increase in credit risk | - | - |
| Less: Allowance for unsecured doubtful debts | (1.81) | (1.81) |
| Trade Receivable - credit impaired | - | - |
| Less: Allowance for doubtful debts | - | - |
| | 6,206.18 | 7,579.95 |

Notes

Note 1 - Refer note no, 22.1 for the details in respect of certain trade receivables hypothecated / mortgaged as security for borrowings.

Note 2 - No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

Note 3 - The Company does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right to offset against any amounts owed by the Company to the counterparty.

Note 4 - Trade Receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

₹ in Lakhs

Ageing of receivables that are past due

| Particulars | As at | As at |
|--------------------------|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Within the credit period | 3,405.65 | 1,883.60 |
| 31-60 days | 1,710.29 | 2,409.93 |
| 61-90 days | 553.86 | 700.40 |
| 91-180 days | 534.81 | 303.30 |
| 181-365 days | - | 20.02 |
| 365 days & above | 1.57 | 2,262.70 |
| | 6,206.18 | 7,579.95 |

The credit period on rendering of services ranges from 1 to 30 days with or without security.

Note 14:- Cash and cash equivalents

₹ in Lakhs

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Balances with banks: | | |
| In current accounts | 114.54 | 128.39 |
| In term deposits with maturity less than 3 months at inception | 2,077.76 | - |
| Cash on hand | 0.37 | 0.40 |
| | 2,192.67 | 128.79 |

Note 15:- Bank balances other cash and cash equivalents

₹ in Lakhs

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| In term deposits with maturity more than 3 months but less than 12 months at inception | 1,003.17 | - |
| | 1,003.17 | - |

Term deposit includes deposit held as lien by IndusInd bank against the term loan amounting to ₹ 1003.17 lakhs (PY -Nil).

Note 16:- Current financial assets - Loans

₹ in Lakhs

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March 2021 | 31st March 2020 |
| Unsecured, Considered Good | | |
| Loans to related parties (refer note 45) | 11,299.43 | 12,625.43 |
| Advances to employees | 0.50 | 0.30 |
| | 11,299.93 | 12,625.73 |
| Note: | | |
| Loans receivable considered good: Secured | | |
| Loans receivable considered good: Unsecured | 11,299.93 | 12,625.73 |
| Loans receivable which have significant increase in Credit Risk | | |
| Loans receivable - credit impaired | | |
| | 11,299.93 | 12,625.73 |

Note 17:- Current financial assets - Others

₹ in Lakhs

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Unsecured, considered good | | |
| Security deposits* | 4.44 | 4.44 |
| Interest receivable | | |
| On fixed Deposits | 19.80 | - |
| On loans and advances given to related parties (refer note 45) | 3,993.34 | 2,565.37 |
| Other receivables | 20.89 | 305.20 |
| | 4,038.47 | 2,875.01 |

* Security deposits represents various deposits given to rental, membership fees, etc.



SOUTH WEST PORT LIMITED
Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 18:- Taxation

Income tax related to items charged or credited directly to profit or loss during the year:

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|--|------------------------------------|------------------------------------|
| Current Tax : | | |
| Current income tax | 1,739.94 | 988.11 |
| Tax (credit) under Minimum Alternative Tax | - | - |
| Current Tax (a) | 1,739.94 | 988.11 |
| Deferred Tax : Relating to origination and reversal of temporary differences (b) | (34.16) | (631.15) |
| Total Expenses reported in the statement of profit and Loss (a+b) | 1,705.78 | 356.96 |

A reconciliation of income tax expense applicable to accounting Profit / (Loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|---|------------------------------------|------------------------------------|
| Reconciliation | | |
| Profit before tax | 5,781.11 | 2,903.36 |
| Enacted tax rate in India | 29.12% | 29.12% |
| Expected income tax expense at statutory tax rate | 1,683.46 | 845.46 |
| Expenses not deductible in determining taxable profit | 1,513.45 | 288.69 |
| Tax allowances and concession | (1,456.97) | (136.55) |
| Other temporary differences (refer note below)# | (34.16) | (640.64) |
| Tax expense for the year | 1,705.77 | 356.96 |
| Effective income tax rate | 29.51% | 12.29% |

There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 37).

The following table provides the details of income tax assets and income tax liabilities as of 31st March 2021 and 31st March, 2020.

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|------------------------|-----------------------|-----------------------|
| Income tax assets | 1,344.23 | 995.33 |
| Income tax liabilities | (1,215.62) | (707.13) |
| | 128.61 | 288.20 |

#Deferred tax relates to the following:

₹ in Lakhs

| Particulars | Balance Sheet | | Recognised in statement of profit or loss | | Recognised in / reclassified from other comprehensive income | |
|---|-----------------------|-----------------------|---|-------------------------------------|--|-------------------------------------|
| | As at 31st March 2021 | As at 31st March 2020 | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 | For the year ended 31st March 2021 | For the year ended 31st March, 2020 |
| Expenses allowable on payment basis | - | - | - | - | - | - |
| Other items giving rise to temporary differences | 363.37 | 746.89 | (383.52) | 746.89 | - | - |
| Timing difference on account of book depreciation and tax depreciation | (3,156.81) | (3,496.40) | 339.59 | (91.98) | - | - |
| Fair valuation of property, plant and equipment (PP&E) | - | (17.18) | 17.18 | (7.64) | - | - |
| Provisions for employee benefit | 52.82 | (6.39) | 59.21 | (6.63) | - | - |
| Income tax relating to items that will not be reclassified to profit or loss from OCI | - | - | 1.69 | (9.49) | (1.69) | 9.49 |
| Recognised in retained earnings | (213.63) | - | - | - | - | - |
| Net (Income)/expense | - | - | - | - | - | - |
| Deferred tax asset / (liability) | (2,954.25) | (2,773.08) | 34.16 | 631.15 | (1.69) | 9.49 |

Reconciliation of deferred tax assets / (liabilities) net:

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|---|-----------------------|-----------------------|
| Opening balance as of 1st April 2020 | (2,773.08) | (3,413.71) |
| Tax income / (expense) during the period recognised in profit or loss | 34.15 | 631.15 |
| Income tax relating to items that will not be reclassified to profit or loss from OCI | (1.69) | 9.49 |
| Recognised in retained earnings | (213.63) | - |
| Closing balance | (2,954.25) | (2,773.08) |

Movement in MAT credit entitlement

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|---|-----------------------|-----------------------|
| Balance at the beginning of the year | 6,249.88 | 6,530.86 |
| Add: MAT credit entitlement availed during the year | - | - |
| Less: MAT credit utilised during the year | (550.35) | (280.98) |
| Balance at the end of the year | 5,699.53 | 6,249.88 |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 19:- Other current assets

₹ in Lakhs

| Particulars | As at | |
|--|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Unsecured, considered good | | |
| Security deposits* | 2.30 | 2.30 |
| Advance to suppliers | 28.82 | 40.58 |
| Prepaid expenses | 91.40 | 74.14 |
| Balance with government authorities | 316.86 | 446.12 |
| Indirect tax balances/ receivables/credits | - | 351.99 |
| Others receivables (refer note 1(II)(2)) | 256.94 | 343.94 |
| Unbilled revenue | 117.70 | 45.93 |
| | 814.02 | 1,305.00 |

*Security deposits represents refundable deposit for E-tendering.

Note 20 :- Share Capital

₹ in Lakhs

| Particulars | As at | |
|---|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Authorised: | | |
| 4,70,00,000 Equity shares of ₹ 10 each | 4,700.00 | 4,700.00 |
| 2,00,00,000 Preference shares of ₹ 10 each | 2,000.00 | 2,000.00 |
| | 6,700.00 | 6,700.00 |
| Issued, subscribed and paid-up: | | |
| 4,62,00,000 Equity shares of ₹ 10 each, fully paid up | 4,620.00 | 4,620.00 |
| | 4,620.00 | 4,620.00 |

Notes:

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

₹ in Lakhs

| Issued subscribed and paid up share capital | As at | | As at | |
|---|--------------------|-----------------|--------------------|-----------------|
| | 31st March 2021 | | 31st March 2020 | |
| | No. of Shares | Amounts | No. of Shares | Amounts |
| Balance at the beginning of the year | 4,62,00,000 | 4,620.00 | 4,62,00,000 | 4,620.00 |
| Add: Shares issued during the year | - | - | - | - |
| Balance at the end of the year | 4,62,00,000 | 4,620.00 | 4,62,00,000 | 4,620.00 |

(b) Terms / rights attached to equity shares:

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

(c) Details of shares held by holding companies and fellow subsidiaries

₹ in Lakhs

| Name of the Shareholder | As at | | As at | |
|--|--------------------|-----------------|--------------------|-----------------|
| | 31st March 2021 | | 31st March 2020 | |
| | No. of shares | Amount | No. of Shares | Amount |
| JSW Infrastructure Limited (JSWIL) along with its nominee shareholders | 3,41,88,000 | 3,418.80 | 3,41,88,000 | 3,418.80 |
| Total | 3,41,88,000 | 3,418.80 | 3,41,88,000 | 3,418.80 |

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

| Name of the Shareholder | As at | | As at | |
|--|--------------------|------------------------|--------------------|------------------------|
| | 31st March 2021 | | 31st March 2020 | |
| | No. of shares | % holding in the class | No. of Shares | % holding in the class |
| 1. Starlog Enterprises Limited (Previously known as ABG Infralogistics Limited) along with its nominee shareholders | 46,20,000 | 10.00 | 46,20,000 | 10.00 |
| 2. JSW Infrastructure Limited (JSWIL) along with its nominee shareholders | 3,41,88,000 | 74.00 | 3,41,88,000 | 74.00 |
| 3. Tranquil Homes And Holdings Private Limited | 28,74,257 | 6.22 | 28,74,257 | 6.22 |
| Total | 4,16,82,257 | 90.22 | 4,16,82,257 | 90.22 |

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

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

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

(h) 30% shares are pledged by the holding company against loan taken from Indusind Bank by the company and three fellow subsidiaries.



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 21:-Other equity

₹ in Lakhs

| Particulars | Retained Earnings | ESOP Compensation Reserves | Total equity attributable to equity holders of the Company |
|---|-------------------|----------------------------|--|
| Balance as at 1st April, 2020 | 58,982.90 | 714.86 | 59,697.76 |
| Profit for the year | 4,075.33 | - | 4,075.33 |
| Remeasurements gain on defined benefit plans (net of tax) | 4.13 | - | 4.13 |
| Recognition of share based payment | - | 1,029.37 | 1,029.37 |
| Corporate guarantee impact | 520.00 | - | 520.00 |
| Balance as at 31st March, 2021 | 63,582.36 | 1,744.23 | 65,326.59 |

₹ in Lakhs

| Particulars | Retained Earnings | ESOP Compensation Reserves | Total equity attributable to equity holders of the Company |
|---|-------------------|----------------------------|--|
| Balance as at 1st April, 2019 | 56,459.59 | 603.58 | 57,063.17 |
| Profit for the year | 2,546.40 | - | 2,546.40 |
| Remeasurements loss on defined benefit plans (net of tax) | (23.09) | - | (23.09) |
| Recognition of share based payment | - | 111.28 | 111.28 |
| Balance as at 31st March, 2020 | 58,982.90 | 714.86 | 59,697.76 |

(i) Retained Earnings

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

(ii) Equity settled share based payment reserve

The Company offers ESOP, under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note:- 22 Non current financial liabilities borrowings (At amortised cost)

₹ in Lakhs

| Particulars | As at 31st March 2021 | | As at 31st March 2020 | |
|--|-----------------------|-----------------|-----------------------|---------|
| | Non Current | Current | Non Current | Current |
| Term loan | | | | |
| Secured | 34,800.00 | 4,800.00 | - | - |
| Unsecured | - | - | - | - |
| Less: Unamortised upfront fees on borrowing | (882.54) | (280.39) | - | - |
| | 33,917.46 | 4,519.61 | - | - |
| Less : Current maturities of long term debt clubbed under other financial liabilities (refer note no 27) | - | (4,519.61) | - | - |
| | 33,917.46 | - | - | - |

NOTE 22.1:- Nature of security and terms of repayment

₹ in Lakhs

| Lender | As at 31st March 2021 | | As at 31st March 2020 | |
|--|-----------------------|----------|-----------------------|---------|
| | Non Current | Current | Non Current | Current |
| Rupee term loan from IndusInd Bank Limited | 34,800.00 | 4,800.00 | - | - |

Rate of Interest

9.95% per annum

Nature of security

The facility is secured by

- First charge by way of hypothecation over entire movable fixed assets (including capital work in progress), including all port assets, both present & future, of the borrower.

-First charge by way of hypothecation /assignment over all the rights, title, interest, benefits, claims and demands whatsoever of the borrower with respect to concession agreements entered with Port Authorities.

-First charge by way of hypothecation on entire current asset and non-current assets (excluding investments and immovable fixed assets), including non-interest bearing Advance Deposit to JSW Infrastructure Limited, raw materials, stock in progress, finished goods, stores & spares, and receivable, both present and future, of the borrower

-First charge on the borrower's book debts (including all loans & advances provided), operating cash flows, receivables, commissions, revenue of whatsoever nature, both present and future

-Pledge of 30% shares of the company and Non-disposal undertaking of 44% of the company, 40% of ECTPL, 60% of EBTP and 70% MCTPL by

Repayment terms

Principal amount repayable in 28 structured quarterly installments, starting from 3rd month from date of first disbursement.

Note 23:- Non current financial liabilities - Others (At amortised cost)

₹ in Lakhs

| Particulars | As at | As at |
|---|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Lease liabilities (refer note [1(II)(3)]) | 5,079.81 | 5,408.92 |
| | 5,079.81 | 5,408.92 |

Note 23(a) During the year company has recognised ₹ 526.57 lakhs as finance charge on lease and has paid ₹ 790.06 lakhs as lease rent. At the end of the year company has reported total lease liability of ₹ 5,433.39 lakhs, out of which Non-current lease liability is ₹ 5,079.81 lakhs and current lease liability is ₹ 353.58 lakhs.

Note 23(b) Future minimum rentals payable under non-cancellable operating leases are as follows:

₹ in Lakhs

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Not Later than 1 year | 353.58 | 287.96 |
| Later than 1 year and not later than 5 years | 2,212.73 | 1,865.94 |
| Later than 5 years | 2,867.08 | 3,542.98 |
| | 5,433.39 | 5,696.88 |

Note 24:- Non current liabilities - Provisions

₹ in Lakhs

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Provision for employee benefits | | |
| Provision for gratuity (refer note 46) | 44.31 | 35.13 |
| Provision for leave encashment (refer note 46) | 93.59 | 80.26 |
| | 137.90 | 115.39 |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 25:- Non current liabilities - Others

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|--|--------------------------|--------------------------|
| Financial guarantee obligation (refer note [1(II)(15)(b)]) | 236.37 | 270.40 |
| Export obligation deferred income* | 1,813.39 | 2,052.25 |
| | 2,049.76 | 2,322.65 |

*Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant and being amortised over the useful life of such assets.

Note 26:- Current financial liabilities - Trade payables

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|--|--------------------------|--------------------------|
| Total outstanding | | |
| Total outstanding, due of micro and small enterprises (refer note 26.1) | 31.48 | 14.40 |
| Total outstanding, due of creditors other than micro and small enterprises | 1,107.19 | 3,670.03 |
| | 1,138.67 | 3,684.43 |

Payables are normally settled within 1 to 180 days

Note 26.1:- Details of dues To Micro, Small And Medium Enterprises as defined under The MSMED Act, 2006

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|--|--------------------------|--------------------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | | |
| Principal amount due to micro, small and medium enterprises | 31.48 | 14.40 |
| Principal amount overdue more than 45 days | - | - |
| Interest due on above | - | - |
| | 31.48 | 14.40 |

Note 27:- Current financial liabilities - Others (At amortised cost)

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|---|--------------------------|--------------------------|
| Current maturities of long term borrowings (refer note no 22) | 4,519.61 | - |
| Retention | 96.22 | 101.41 |
| Employee dues | 224.62 | 195.07 |
| Other payables | 1,733.74 | 1,747.90 |
| Lease liabilities(refer note [1(II)(3)]) | 353.58 | 287.96 |
| | 6,927.77 | 2,332.34 |

Note 28:- Other current liabilities

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|---|--------------------------|--------------------------|
| Advances from customers | 78.03 | 37.79 |
| Export obligation deferred income (refer note 25) | 238.86 | 238.86 |
| Statutory liabilities | 269.61 | 87.71 |
| | 586.50 | 364.36 |

Note 29:- Current liabilities -Provisions

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|--|--------------------------|--------------------------|
| Provision for gratuity (refer note 46) | 25.48 | 24.69 |
| Provision for leave encashment (refer note 46) | 18.02 | 7.45 |
| | 43.50 | 32.14 |



SOUTH WEST PORT LIMITED
Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021
Note 30:- Revenue from operations

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|---|------------------------------------|------------------------------------|
| Income from contracts with customers | | |
| Cargo handling income | 15,726.28 | 12,349.13 |
| Berth hire income | 6,871.98 | 6,060.16 |
| Storage income | 1,826.02 | 1,537.64 |
| Other operating income | 15.37 | 32.46 |
| | 24,439.65 | 19,979.39 |

Revenue recognized from Contract liability (Advances from Customers)

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|---|------------------------------------|------------------------------------|
| Trade Receivable (Gross) (refer note 13) | 6,207.99 | 7,581.76 |
| Contract Liabilities | | |
| Closing Balance of Contract Liability (refer note 28) | 78.03 | 37.79 |

The contract liability outstanding at the beginning of the year has been recognized as revenue during the year ended 31st March 2021.

The credit period on rendering of services ranges from 1 to 30 days with or without security.

Note 31:- Other income

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|--|------------------------------------|------------------------------------|
| Interest income earned on financial assets that are not designated as FVTPL | | |
| Loan to related parties | 1,354.38 | 1,599.91 |
| On Bank deposit | 129.01 | 19.74 |
| On Non-convertible debentures | 1,876.50 | - |
| Others | 25.25 | 78.32 |
| Gain on sale of current investment designated as FVTPL | 44.21 | 151.75 |
| Fair value gain arising from financial instruments designated as FVTPL | - | 59.00 |
| Sale of Scrap | 118.45 | 101.44 |
| Financial guarantee income | 34.03 | 38.65 |
| Lease rental income | 300.00 | 300.00 |
| Government grant Income | | |
| Government grant incentive income (SEIS)(refer note [1(II)(2)])* | (285.97) | 343.94 |
| Export obligation deferred income amortisation (refer note 25) | 238.86 | 239.52 |
| | 3,834.72 | 2,932.27 |

* The amount of Rs. 285.97 lakhs which had been considered as unearned SEIS income in FY 2019-20 has been reversed in FY 2020-21 as the notification is not yet published for FY 2019-20.

Note 32:- Operating expenses

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|------------------------------------|------------------------------------|------------------------------------|
| Cargo handling expenses | 7,993.12 | 9,250.97 |
| Fuel expenses | 261.38 | 219.73 |
| Repair and maintenance | 324.60 | 261.65 |
| Power | 611.30 | 576.51 |
| Stores and spares consumed | 466.51 | 487.52 |
| Environmental protection expenses | 76.36 | 76.94 |
| Royalty to Mormugao Port Trust | 3,159.41 | 2,499.66 |
| Licence fee to Mormugao Port Trust | 127.12 | 175.22 |
| | 13,019.80 | 13,548.20 |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 33:- Employees benefits expense

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|--|------------------------------------|------------------------------------|
| Salaries, wages and bonus | 751.53 | 1,034.02 |
| Contributions to provident funds and other funds | 42.52 | 43.27 |
| Gratuity & Leave encashment expense (refer note 46) | 16.78 | 15.07 |
| Expense on employee stock ownership plan (refer note 47) | 1,177.68 | 111.28 |
| Staff welfare expenses | 34.96 | 42.00 |
| | 2,023.47 | 1,245.64 |

Note 34:- Finance costs

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|---------------------|------------------------------------|------------------------------------|
| Interest on | | |
| Loan from Banks | 1,542.48 | 2.99 |
| Lease obligation | 526.57 | 1.76 |
| Other finance costs | 233.20 | 8.11 |
| | 2,302.25 | 12.86 |

Note 35:- Depreciation and amortisation expense

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|-------------------------------------|------------------------------------|------------------------------------|
| Depreciation on tangible assets | 35.71 | 28.38 |
| Amortisation on intangible assets | 3,595.56 | 3,657.59 |
| Depreciation on right of use assets | 653.94 | 653.94 |
| | 4,285.21 | 4,339.91 |

Note 36:- Other expenses

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|--|------------------------------------|------------------------------------|
| Rent, Rates & taxes | 16.06 | 21.29 |
| General office expenses and overheads | 216.75 | 207.21 |
| Business support services | 129.12 | 127.86 |
| Directors sitting fees | 10.00 | 8.82 |
| Remuneration to auditors (refer note 38) | 9.30 | 9.50 |
| Legal, professional & consultancy charges | 52.04 | 132.83 |
| Insurance | 183.79 | 139.22 |
| Vehicle hiring & maintenance | 33.38 | 20.44 |
| Security charges | 99.03 | 72.55 |
| Corporate Social Responsibility (CSR) expenses (refer note 43) | 90.00 | 121.97 |
| Loss on sale of property, plant and equipment | 23.06 | - |
| | 862.53 | 861.69 |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 37:- Contingent liabilities and commitments

A. Contingent liabilities (to the extent not provided for) :

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|--|--------------------------|--------------------------|
| Bank guarantee given to: | | |
| Customs for bonded storage facility | 400.00 | 400.00 |
| Electricity department Goa | 104.25 | 104.25 |
| Mormugao Port Trust | 125.92 | 125.92 |
| Commissioner of Customs | 887.51 | 887.51 |
| Goa State Pollution Control Board | 100.00 | 100.00 |
| Dispute with Mormugao Port Trust regarding Cargo Handling Labour Department (CHLD) | 608.00 | 608.00 |
| Disputed income tax liability in respect of | | |
| Assessment Year 2011-12 | 46.30 | 59.71 |
| Assessment Year 2012-13 | - | 8.52 |
| Assessment Year 2014-15 | 1.95 | 1.95 |
| Assessment Year 2015-16 | 8.23 | 8.23 |
| Assessment Year 2017-18 | 220.80 | - |
| Assessment Year 2018-19 | 10.40 | - |
| | 2,513.36 | 2,304.09 |

B. Commitments: (net of advances)

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|--|--------------------------|--------------------------|
| Capital commitments | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 64.54 | 294.77 |
| Other commitments | | |
| The company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of zero or concessional custom duty rate. These benefits are subject to future exports. Such export obligations at year end aggregate to | - | 6,715.83 |

(a) The company does not expect any reimbursement in respect of the above contingent liabilities.

(b) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above, pending resolution of the arbitration / appellate proceedings.

(c) Company has fulfilled export obligation of ₹ 44,403.55 lakhs till 31st March, 2021.

Note 38:- Payment to auditors

₹ in Lakhs

| Nature of transaction/relationship | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|------------------------------------|---------------------------------------|---------------------------------------|
| Statutory Audit fees | 8.75 | 8.75 |
| Out of pocket expenses | 0.35 | 0.35 |
| Others | 0.20 | 0.40 |
| | 9.30 | 9.50 |

Note 39:- Imported and indigenous raw materials, components and spare parts consumed

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | | For the year ended 31st March 2020 | |
|-------------------------------|---------------------------------------|---------------|------------------------------------|---------------|
| | % of total consumptions | Value | % of total consumptions | Value |
| Spare parts | | | | |
| Imported | 0.50 | 2.34 | 10.99 | 53.59 |
| Indigenous, stores and spares | 99.50 | 464.17 | 89.01 | 433.93 |
| | 100.00 | 466.51 | 100.00 | 487.52 |

Note 40:- Value of imports calculated on CIF basis

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March, 2020 |
|----------------------------|---------------------------------------|--|
| Components and spare parts | - | 33.41 |
| Capital goods | - | 41.44 |
| | - | 74.85 |

Note 41: Expenditure in foreign currency (accrual basis)

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March, 2020 |
|----------------------------|---------------------------------------|--|
| Components and spare parts | - | 33.41 |
| Capital goods | - | 41.44 |
| | - | 74.85 |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 42: Earning In foreign currency

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March, 2020 |
|-----------------------------------|---------------------------------------|--|
| Berth hire income (excluding GST) | 4,555.22 | 4,440.62 |
| | 4,555.22 | 4,440.62 |

Note 43: Corporate social responsibility (CSR)

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March, 2020 |
|---|---------------------------------------|--|
| Amount required to be spent as per Section 135 of the Act | 90.00 | 121.42 |
| Amount spent during the year on : | | |
| Paid In cash | | |
| (i) Construction / acquisition of assets | - | - |
| (ii) On purposes other than (i) above (for CSR projects) | 90.00 | 116.36 |
| Yet to be paid In cash | | |
| (i) Construction / acquisition of assets | - | - |
| (ii) On purposes other than (i) above (for CSR projects) | - | 5.61 |
| | 90.00 | 121.97 |

Note 44: Segment reporting

The Company is primarily engaged in one business segment, namely developing, operating and maintaining the Ports services, Ports related Infrastructure development activities and development of infrastructure as determined by chief operational decision maker, in accordance with Ind-AS 108 "Operating Segment".

Considering the inter relationship of various activities of the business, the chief operational decision maker monitors the operating results of its business segment on overall basis. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements.

- a) All revenue was derived within the Country only
- b) Non- current assets: All non-current assets of the Company are located in India.
- c) Customer contributing more than 10% of Revenue

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March, 2020 |
|-------------------|---------------------------------------|--|
| JSW Steel Limited | 17,233.75 | 13,853.00 |
| | 17,233.75 | 13,853.00 |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 45:- Disclosures as required By Indian Accounting Standard (Ind As) 24 Related Party Disclosures

List of related parties

| Name of the related party | Nature of relation |
|---|---------------------------|
| JSW Infrastructure Limited | Holding Company |
| JSW Jaigarh Port Limited | Fellow Subsidiary Company |
| JSW Dharmatar Port Private Limited | Fellow Subsidiary Company |
| JSW Paradip Terminal Private Limited | Associate |
| Paradip East Quay Coal Terminal Private Limited | Associate |
| Southern Bulk Terminals Private Limited | Fellow Subsidiary Company |
| Mangalore Coal Terminal Private Limited | Fellow Subsidiary Company |
| Ennore Coal Terminal Private Limited | Fellow Subsidiary Company |
| Ennore Bulk Terminal Private Limited | Fellow Subsidiary Company |
| JSW IP Holdings Private Limited | Other related party |
| JSW Steel Limited | Other related party |
| JSW Steel Coated Products Limited | Other related party |
| JSW Energy Limited | Other related party |
| JSW Foundation | Other related party |
| Realcom Reality Private Limited | Other related party |
| JSW Paint Private Limited | Other related party |
| South West Employee Welfare Trust | Others |
| JSW Infrastructure Employee Welfare Trust | Others |
| Nirmal Kumar Jain (till 02/11/2020) | Independent Director |
| Kantilal Narandas Patel (till 02/11/2020) | Independent Director |
| Surendranath Vasupal Vandakudri (from 30/10/2020) | Non Executive Director |
| Sanjay Kumar Rath (from 30/10/2020) | Non Executive Director |
| Ashwini Saxena (from 14/05/2021) | Non Executive Director |
| Gerard Earnest Paul Da Cunha | Independent Director |
| Ameeta Chatterjee | Independent Director |
| Rashmi Ranjan Patra (till 31/10/2020) | Non Executive Director |
| Naveen Kumar (till 30/10/2020) | Whole Time Director |
| Anurag Bhagauliwal (from 10/02/2021) | Manager |
| Gazal Qureshi | Company Secretary |
| Brijmohan Mantri | Chief Financial Officer |

| Key management personnel: | Designation |
|--------------------------------------|-------------------------|
| Naveen Kumar (till 30/10/2020) | Whole Time Director |
| Anurag Bhagauliwal (from 10/02/2021) | Manager |
| Gazal Qureshi | Company Secretary |
| Brijmohan Mantri | Chief Financial Officer |

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

₹ in Lakhs

| Nature of transaction/relationship | For the year ended 31st March 2021 | For the year ended 31st March, 2020 |
|---|------------------------------------|-------------------------------------|
| Purchase of services | | |
| JSW Infrastructure Limited | 7,930.22 | 9,177.50 |
| JSW IP Holdings Private Limited | 55.44 | 50.76 |
| Total | 7,985.66 | 9,228.26 |
| Sales of services | | |
| JSW Steel Limited | 17,233.75 | 13,853.00 |
| JSW Energy Limited | 181.72 | - |
| JSW Jaigarh Port Limited | 2,312.08 | 1,597.25 |
| Total | 19,727.55 | 15,450.25 |
| CSR Expenditure | | |
| JSW Foundation | 90.00 | 77.23 |
| Total | 90.00 | 77.23 |
| Investments in equity Infusion | | |
| JSW Paradip Terminal Private Limited | - | 2,339.74 |
| Paradip East Quay Coal Terminal Private Limited | 1,976.00 | 909.74 |
| Total | 1,976.00 | 3,249.48 |
| Investments in Non Convertible Debenture | | |
| Ennore Coal Terminal Private Limited | 15,000.00 | - |
| Mangalore Coal Terminal Private Limited | 30,000.00 | - |
| Total | 45,000.00 | - |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

| | | |
|---|------------------|-----------------|
| Investments in equity | | |
| JSW Paradip Terminal Private Limited | 3,900.00 | 3,900.00 |
| Paradip East Quay Coal Terminal Private Limited | 4,576.00 | 2,600.00 |
| Total | 8,476.00 | 6,500.00 |
| Investments in Non Convertible Debenture | | |
| Ennore Coal Terminal Private Limited | 15,000.00 | - |
| Mangalore Coal Terminal Private Limited | 30,000.00 | - |
| Total | 45,000.00 | - |
| Financial guarantee given | | |
| JSW Paradip Terminal Private Limited | 312.00 | 312.00 |
| Total | 312.00 | 312.00 |
| Financial guarantee taken | | |
| JSW Infrastructure Limited | 732.62 | - |
| Total | 732.62 | - |
| Interest receivable | | |
| JSW Jaigarh Port Limited | - | 254.93 |
| JSW Paradip Terminal Private Limited | 1,231.55 | 944.96 |
| Paradip East Quay Coal Terminal Private Limited | 960.74 | 690.48 |
| Realcom Reality Private Limited | 65.29 | 675.00 |
| Mangalore Coal Terminal Private Limited | 1,157.18 | - |
| Ennore Coal Terminal Private Limited | 578.59 | - |
| Total | 3,993.34 | 2,565.37 |

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

Terms and Conditions

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on the scale of rate defined by the Tariff Authority of Major Ports (TAMP). For the year ended 31st March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase

Loans to Related Parties:

The Company had given loans to related parties for business requirement. The loan balances as at 31st March, 2021 was ₹ 14,183.51 lakhs (As on 31st March, 2020: ₹ 15604.51 lakhs). These loans are unsecured in nature.

Financial Guarantees given to associates company

Financial guarantees given to associates company for availing term loan and the transactions are in ordinary course of business and at arms' length basis.

Lease Rent Receipts

The Company has received lease rental on equipment given on finance lease.

Interest Income

Interest is accrued on loan given to related party as per terms of agreement.



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

| | | |
|---|-----------------|-----------------|
| Loan given | | |
| JSW Paradip Terminal Private Limited | - | 780.00 |
| Total | - | 780.00 |
| Loan given received back | | |
| JSW Paradip Terminal Private Limited | - | 2,052.38 |
| Paradip East Quay Coal Terminal Private Limited | 1,326.00 | - |
| Realcom Reality Private Limited | 95.00 | - |
| Total | 1,421.00 | - |
| Lease rent received | | |
| JSW Jaigarh Port Limited | 300.00 | 300.00 |
| Total | 300.00 | 300.00 |
| Interest income on ICD / NCD | | |
| JSW Jaigarh Port Limited | 503.25 | 563.75 |
| JSW Paradip Terminal Private Limited | 310.52 | 403.65 |
| Paradip East Quay Coal Terminal Private Limited | 292.93 | 382.51 |
| Realcom Reality Private Limited | 247.68 | 250.00 |
| Total | 1,354.38 | 1,599.91 |
| Financial guarantee income | | |
| JSW Paradip Terminal Private Limited | 34.03 | 38.65 |
| Total | 34.03 | 38.65 |
| Financial guarantee Expenses | | |
| JSW Infrastructure Limited | 77.40 | - |
| Total | 77.40 | - |
| Reimbursement of expenses incurred on our behalf | | |
| JSW Infrastructure Limited | 152.36 | 127.86 |
| JSW Dharmatar Port Private Limited | 1.52 | - |
| Total | 153.88 | 127.86 |
| Compensation to key management personnel | | |
| Short term employee benefits | 58.83 | 47.73 |
| Post employment benefits | - | - |
| Other long Term benefits | - | - |
| Termination benefits | - | - |
| Share based payment | - | - |
| Total | 58.83 | 47.73 |

(1) As future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and there for not included above.

(2) The Company has accrued ₹ 64.33 lakhs (PY: ₹ 26.05 lakhs) in respect of employee stock options granted to key managerial personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.

(3) Mr. Naveen Kumar is in receipt of remuneration from JSW Infrastructure Limited, holding company of the Company, where he is holding an office/place of profit

(4) The Independent Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable to the Non-Executive Directors is based on the number of meetings of the Board attended by them and their Chairmanship/Membership of Audit Committee during the year, subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹ 20,000/- for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during FY 2020-21 is ₹ 3.00 lakhs (PY ₹ 2.42 lakhs), which is not included above.

Amount due to / from related parties

₹ in Lakhs

| Nature of transaction/relationship | As at 31st March 2021 | As at 31st March 2020 |
|---|--------------------------|--------------------------|
| Accounts Payable | | |
| JSW Infrastructure Limited | 153.38 | 3,039.01 |
| JSW Dharmatar Port Private Limited | 1.52 | - |
| JSW Paint Private Limited | 1.65 | - |
| Total | 156.55 | 3,039.01 |
| Accounts Receivable | | |
| JSW Steel Limited | 4,356.42 | 6,324.25 |
| JSW Jaigarh Port Limited | 1,432.02 | 799.65 |
| Total | 5,788.43 | 7,123.89 |
| Amount due to / from related parties | | |
| Loans and advances receivables | | |
| JSW Jaigarh Port Limited | 5,500.00 | 5,500.00 |
| JSW Paradip Terminal Private Limited | 3,393.63 | 3,393.63 |
| Paradip East Quay Coal Terminal Private Limited | 2,405.80 | 3,731.80 |
| Realcom Reality Private Limited | 2,405.00 | 2,500.00 |
| South West Port Employees Welfare Trust | 375.68 | 375.68 |
| JSW Infrastructure Employees Welfare Trust | 103.40 | 103.40 |
| Total | 14,183.51 | 15,604.51 |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 46:- Disclosures as required by Indian Accounting Standard (Ind As) 19 Employee benefits

(a) Defined contribution plans:

| Particulars | ₹ in Lakhs | |
|---------------------------------|--------------------------|--------------------------|
| | As at 31st March 2021 | As at 31st March 2020 |
| Benefits (contribution to): | | |
| Provident fund | 30.90 | 31.74 |
| Family Pension | 7.27 | 7.08 |
| Employee state insurance scheme | - | - |
| | 38.17 | 38.82 |

(b) Defined benefit plans:

Gratuity (funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days' salary for each completed year of service. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The Company makes annual contributions to the Life Insurance Corporation, which is funded defined benefit plan for qualifying employees.

As the gratuity fund is managed by life insurance company, details of fund invested by insurer are not available with company.

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.

Interest Risk:

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

Longevity risk:

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

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

| Particulars | Gratuity | |
|--|---------------------------------------|---------------------------------------|
| | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
| | (Funded) | (Funded) |
| Change in present value of defined benefit obligation during the year | | |
| Present value of benefit obligation at the beginning of the period | 148.50 | 145.03 |
| Interest cost | 10.16 | 11.30 |
| Current service cost | 12.69 | 12.04 |
| Liability Transferred | - | 33.44 |
| Benefit paid directly by Employer | - | (57.09) |
| Benefit paid from the fund | (2.26) | (26.30) |
| Actuarial (gains)/losses on obligations - Due to change in financial assumptions | 0.27 | 12.84 |
| Actuarial (gains)/losses on obligations - Due to experience | (6.64) | 17.24 |
| Present value of benefit obligation at the end of the period | 162.72 | 148.50 |
| Change in fair value of plan assets during the year | | |
| Fair Value of Plan Assets at the Beginning of the Period | 88.68 | 106.22 |
| Interest Income | 6.07 | 8.28 |
| Contributions by the Employer | 1.00 | 3.00 |
| Benefit paid from the fund | (2.26) | (26.30) |
| Return on Plan Assets, Excluding Interest Income | (0.55) | (2.52) |
| Fair Value of Plan Assets at the End of the Period | 92.94 | 88.68 |
| Net asset / (liability) recognised in the balance sheet | | |
| (Present value of benefit obligation at the end of the period) | (162.72) | (148.50) |
| Fair value of plan assets at the end of the period | 92.94 | 88.68 |
| Funded status (surplus/ (deficit)) | (69.78) | (59.82) |
| Net (liability)/asset recognized in the balance sheet | (69.78) | (59.82) |
| Expenses recognised in the statement of profit and loss for the year | | |
| Current service cost | 12.69 | 12.04 |
| Net interest cost | 4.09 | 3.03 |
| Past service cost | - | - |
| (Gains)/losses on curtailments and settlements | - | - |
| Total expenses included in employee benefits expense | 16.78 | 15.07 |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

| | | |
|--|---------------|--------------|
| Recognised in other comprehensive income for the year | | |
| Actuarial (gains)/losses on obligation for the period | (6.37) | 30.08 |
| Return on plan assets, excluding interest income | 0.55 | 2.52 |
| Net (income)/expense for the period recognized in OCI | (5.82) | 32.60 |

| | | |
|--|--------|--------|
| Maturity profile of defined benefit obligation | | |
| Within the next 12 months (next annual reporting period) | 4.14 | 3.78 |
| Between 2 and 5 years | 26.46 | 19.43 |
| Between 6 and 10 years | 164.61 | 50.86 |
| 11 years and above | 117.41 | 237.97 |

| | | |
|--|---------|---------|
| Quantitative sensitivity analysis for significant assumption is as below: | | |
| Projected benefit obligation on current assumptions | 162.72 | 148.50 |
| One percentage point increase in discount rate | (13.07) | (13.47) |
| One percentage point decrease in discount rate | 14.69 | 15.34 |
| One percentage point increase in rate of salary Increase | 14.66 | 15.31 |
| One percentage point decrease in rate of salary Increase | (13.28) | 13.70 |
| One percentage point increase in employee turnover rate | 0.60 | 0.73 |
| One percentage point decrease in employee turnover rate | (0.67) | (0.81) |

Sensitivity Analysis Method:

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years

| | | |
|----------------------------------|---------|---------|
| Actuarial assumptions | | |
| Expected return on plan assets | 6.82% | 6.84% |
| Rate of discounting | 6.82% | 6.84% |
| Rate of salary increase | 6.00% | 6.00% |
| Rate of employee turnover | 2.00% | 2.00% |
| Mortality rate during employment | 2006-08 | 2006-08 |
| Mortality post retirement rate | N.A. | N.A. |

| | | |
|----------------------|-------|-------|
| Other details | | |
| No of active members | 50.00 | 48.00 |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 46:- Disclosures as required by Indian Accounting Standard (Ind As) 19 Employee benefits (Contd)

Experience adjustments:-

₹ in Lakhs

| Particulars | Current Year | 2019-20 | 2018-19 | 2017-18 | 2016-17 |
|--|--------------|---------|---------|---------|---------|
| Defined benefit obligation | 162.72 | 148.50 | 145.03 | 140.74 | 137.05 |
| Plan assets | 92.94 | 88.68 | 106.22 | 98.23 | 84.56 |
| Surplus / (deficit) | (69.78) | (59.82) | (38.81) | (42.51) | (52.49) |
| Experience adjustments on plan liabilities - loss / (gain) | (6.64) | 17.24 | (18.39) | (3.53) | (10.12) |
| Experience Adjustments on plan assets - loss / (gain) | (0.55) | (2.52) | (1.02) | (0.61) | (0.99) |

a) The Company expects to contribute ₹ 25.47 lakhs (PY ₹ 24.69 lakhs) to its gratuity plan for the next year

b) In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.

(c) Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

d) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

e) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

Compensated absences

Assumptions used in accounting for compensated absences

| Particulars | As at | As at |
|---|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| Present value of unfunded obligation ((₹ in Lakhs) | 111.60 | 87.71 |
| Expense recognised in statement of profit and loss (₹ in Lakhs) | 22.12 | 34.46 |
| Discount rate (p.a) | 6.82% | 6.84% |
| Salary escalation rate (p.a) | 6.00% | 6.00% |



SOUTH WEST PORT LIMITED
Notes to Financial Statements for the year ended 31st March, 2021

NOTE 47:- EMPLOYEE STOCK OPTION PLAN (ESOP)

The board of directors of JSW Infrastructure Limited approved the Employee Stock Option Plan 2016 on March 23, 2016 for issue of stock options to the employee of the Company and its subsidiaries. According to ESOP plans, the employee selected by the ESOP committee from time to time will be entitled to option based upon the CTC/fixed pay, subject to satisfaction of the prescribed vesting conditions. The other relevant terms of the grant are as follows:

| Particulars | ESOP Plan 2016 | | | | |
|--|--------------------------------|--------------------------------|-------------------------------|--------------------------------|--------------------------------|
| | First Grant 13th June, 2016 | Second Grant 17th May, 2017 | Third Grant 3rd July, 2018 | Fourth Grant 21st May, 2019 | Fifth Grant 30th July, 2020 |
| Vesting period | 1 year | 3.5 years | 3.5 years | 3.5 years | 3.5 years |
| Exercise period | 1 year | 1 year | 1 year | 1 year | 1 year |
| Expected life | 5.5 years | 5.63 years | 5 years | 3.42 years | 3.92 years |
| Weighted average Exercise price on the date of grant | ₹ 897 | ₹ 996 | ₹ 869 | ₹ 898 | ₹ 813 |
| Weighted average fair value as on grant date | ₹ 516.82 | ₹ 685.00 | ₹ 585.02 | ₹ 466.01 | ₹ 441.66 |

| Particulars | ESOP Plan 2016 | | | | |
|--|--------------------------------|--------------------------------|-------------------------------|--------------------------------|--------------------------------|
| | First Grant 13th June, 2016 | Second Grant 17th May, 2017 | Third Grant 3rd July, 2018 | Fourth Grant 21st May, 2019 | Fifth Grant 30th July, 2020 |
| Options Granted | 46,622 | 37,187 | 46,344 | 54,291 | 59,974 |
| Option Vested | 18,806 | 21,247 | 12,687 | - | - |
| Options Exercised | - | - | - | - | - |
| Options lapsed | 8,444 | 15,940 | 20,970 | 1,732 | 1,096 |
| Transfer arising from transfer of employees within group companies | (1,548) | - | - | - | - |
| Options bought-out | 17,824 | - | - | - | - |
| Total number of options outstanding | 18,806 | 21,247 | 25,374 | 52,559 | 58,878 |

Each option entitles the holder to exercise the right to apply and seek allotment of one equity share of ₹ 10 each.

The following table exhibits the net compensation expenses arising from share based payment transaction:

| Particulars | ₹ in Lakhs | |
|--|--|--|
| | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
| Expense arising from equity settled share based payment transactions | 1,029.37 | 111.28 |
| Add: Expense of transferred-in employees | 148.31 | - |
| Net expense recognised in statement of Profit and Loss | 1,177.68 | 111.28 |

For options granted under ESOP 2016 Scheme, the weighted average fair values have been determined using the Black Scholes Option Pricing Model considering the following parameters:

| Particulars | ESOP Plan 2016 | | | | |
|--|--------------------------------|--------------------------------|-------------------------------|--------------------------------|--------------------------------|
| | First Grant 13th June, 2016 | Second Grant 17th May, 2017 | Third Grant 3rd July, 2018 | Fourth Grant 21st May, 2019 | Fifth Grant 30th July, 2020 |
| Weighted average share price on the date of grant | ₹ 997 | ₹ 1,245 | ₹ 1,086 | ₹ 1,123 | ₹ 1,016 |
| Weighted average Exercise price on the date of grant | ₹ 897 | ₹ 996 | ₹ 869 | ₹ 898 | ₹ 813 |
| Expected volatility (%) | 38.33% | 37.71% | 37.09% | 35.61% | 35.21% |
| Expected life of the option (years) | 5.5 years | 5.63 years | 5 years | 3.42 years | 3.92 years |
| Expected dividends (%) | 0% | 0% | 0% | 0% | 0% |
| Risk-free interest rate (%) | 7.43% | 6.98% | 7.97% | 5.02% | 5.02% |
| Weighted average fair value as on grant date | ₹ 516.82 | ₹ 685.00 | ₹ 585.02 | ₹ 466.01 | ₹ 441.66 |

The activity in the ESOP Plans for equity-settled share based payment transactions during the year ended March 31, 2021 is set out below:

| Particulars | ESOP Plan 2016 | | | | |
|--|--------------------------------|--------------------------------|-------------------------------|--------------------------------|--------------------------------|
| | First Grant 13th June, 2016 | Second Grant 17th May, 2017 | Third Grant 3rd July, 2018 | Fourth Grant 21st May, 2019 | Fifth Grant 30th July, 2020 |
| Outstanding as at 1st April 2019 | 36,630 | 22,900 | 28,267 | - | - |
| Granted during the year | - | - | - | 54,291 | - |
| Forfeited during the year | - | 1,092 | 2,353 | - | - |
| Exercised during the year | - | - | - | - | - |
| Transfer arising from transfer of employees within group companies | - | - | - | - | - |
| Bought-out during the year | 17,824 | - | - | - | - |
| Outstanding as at 31st March 2020 | 18,806 | 21,808 | 25,914 | 54,291 | - |
| Granted during the year | - | - | - | - | 59,974 |
| Forfeited during the year | - | 561 | 540 | 1,732 | 1,096 |
| Exercised during the year | - | - | - | - | - |
| Transfer arising from transfer of employees within group companies | - | - | - | - | - |
| Bought-out during the year | - | - | - | - | - |
| Outstanding as at 31st March 2021 | 18,806 | 21,247 | 25,374 | 52,559 | 58,878 |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 48:- Financial Instruments - Accounting classifications and fair value measurements

Capital risk management

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

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

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

| Particulars | As at | As at |
|--|------------------|------------------|
| | 31st March 2021 | 31st March 2020 |
| Long term borrowings | 34,800.00 | - |
| Short-term borrowings | 4,800.00 | - |
| Less: Cash and cash equivalent | 2,192.67 | 128.79 |
| Less: Bank balances other than cash and cash equivalents | 1,003.17 | - |
| Less: Current investments | - | 2,935.35 |
| Net debt | 36,404.16 | - |
| Total equity | 69,946.59 | 64,317.76 |
| Gearing ratio | 0.52 | - |

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

(ii) Debt is defined as long term and Short-term borrowings (excluding financial guarantee contracts).

Categories of financial instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

₹ in Lakhs

| Particulars | Level | Carrying Amount | | Fair Value | |
|---|-------|------------------|------------------|------------------|------------------|
| | | 31st March 2021 | 31st March 2020 | 31st March 2021 | 31st March 2020 |
| Financial assets at amortised cost: | | | | | |
| Trade receivables | | 6,206.18 | 7,579.95 | 6,206.18 | 7,579.95 |
| Others financial assets (Non-current) | | 8.82 | 8.61 | 8.82 | 8.61 |
| Loans (current) | | 11,299.93 | 12,625.73 | 11,299.93 | 12,625.73 |
| Others financial assets (current) | | 4,038.47 | 2,875.01 | 4,038.47 | 2,875.01 |
| Investments (Non-current) | 2 | 45,000.00 | - | 45,000.00 | - |
| Loan(non current) | | 2,884.08 | 2,979.08 | 2,884.08 | 2,979.08 |
| Cash and bank balances | | 2,192.67 | 128.79 | 2,192.67 | 128.79 |
| Bank deposit | | 1,003.17 | - | 1,003.17 | - |
| | | 72,633.33 | 26,197.17 | 72,633.33 | 26,197.17 |
| Financial assets at fair value through profit or loss: | 1 | | | | |
| Investments | | - | 2,935.35 | - | 2,935.36 |
| | | - | 2,935.35 | - | 2,935.36 |
| Financial liabilities at amortised cost: | 2 | | | | |
| Long Terms Borrowings at amortised cost * | 2 | 38,437.07 | - | 39,600.00 | - |
| Other financial liabilities (non current) | 2 | 5,079.81 | 5,408.92 | 5,079.81 | 5,408.92 |
| Trade and other payables | | 1,138.67 | 3,684.43 | 1,138.67 | 3,684.43 |
| Other financial liabilities (current) | 2 | 2,408.16 | 2,332.34 | 2,408.16 | 2,332.34 |
| | | 47,063.71 | 11,425.69 | 48,226.64 | 11,425.69 |

*Including current maturities of long term debt

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short term nature.

Fair Value Hierarchy

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

Level 2-Inputs other than quoted prices included within level 1 that are observable for the assets or liability, either directly (i.e. as prices or indirectly (i.e. derived from prices)

Level-3-Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

NOTE 49:- FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk. The Company forecast is to foresee the unpredictability of the financial markets and to seek to minimise potential adverse effects on its financial performance.

Interest rate risk:

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

Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in interest rates.



SOUTH WEST PORT LIMITED**Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021****Credit risk management:**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 6206.18 Lakhs and ₹ 7,579.95 Lakhs as of 31st March, 2021 and 31st March, 2020, respectively. The Company has its major revenue from group companies, revenue from third party majorly consist of Berth Hire charges for which credit risk is not perceived as credit is not allowed to third party customers.

The following table gives details in respect of percentage of revenues generated from Group companies and others:

₹ in Lakhs

| Particulars | For the year ended 31st March 2021 | % of total revenue | For the year ended 31st March, 2020 | % of total revenue |
|------------------------------|------------------------------------|--------------------|-------------------------------------|--------------------|
| Revenue from group companies | 19,803.25 | 81.03 | 15,488.82 | 77.52 |
| Revenue from third parties | 4,636.40 | 18.97 | 4,490.57 | 22.48 |
| Total | 24,439.65 | 100.00 | 19,979.39 | 100.00 |

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended 31st March, 2021 and 31st March, 2020 was ₹ 1.81 Lakhs and ₹ 1.81 Lakhs respectively.

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units with high credit rating mutual funds.

Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

As of 31st March, 2021, the Company had a working capital of ₹ 17920.03 Lakhs. As of 31st March 2020, the Company had a working capital of ₹ 22,204.24 Lakhs. The Company is confident of managing its financial obligation through short term borrowing and liquidity management.

Maturity profile:

₹ in Lakhs

| As at 31st March, 2021 | Less than one year | 1 to 5 years | > 5 years | Total |
|---|--------------------|--------------|-----------|-----------|
| Financial Assets | | | | |
| Investments (Current /non current) | - | - | 45,000.00 | 45,000.00 |
| Trade receivables | 6,206.18 | - | - | 6,206.18 |
| Cash and cash equivalents | 2,192.67 | - | - | 2,192.67 |
| Bank balances other than cash and cash equivalents | 1,003.17 | - | - | 1,003.17 |
| Loans (Current /non current) | 11,299.93 | 2,405.00 | 479.08 | 14,184.01 |
| Others financial assets (Current /non current) | 4,038.47 | 8.82 | - | 4,047.29 |
| Financial Liabilities | | | | |
| Trade Payables | 1,138.67 | - | - | 1,138.67 |
| Financial Liabilities - Borrowings (Current /non current) | 4,519.61 | 29,127.95 | 4,789.51 | 38,437.07 |
| Other financial liabilities (Current /non current) | 2,408.16 | 2,212.73 | 2,867.08 | 7,487.97 |

| As at 31st March 2020 | Less than one year | 1 to 5 years | > 5 years | Total |
|--|--------------------|--------------|-----------|-----------|
| Financial Assets | | | | |
| Investments (Current /non current) | 2,935.35 | - | - | 2,935.35 |
| Trade receivables | 7,579.95 | - | - | 7,579.95 |
| Cash and cash equivalents | 128.79 | - | - | 128.79 |
| Bank balances other than cash and cash equivalents | - | - | - | - |
| Loans (Current /non current) | 12,625.73 | 2,500.00 | 479.08 | 15,604.81 |
| Others financial assets (Current /non current) | 2,875.01 | 8.61 | - | 2,883.62 |
| Financial Liabilities | | | | |
| Trade Payables | 3,684.43 | - | - | 3,684.43 |
| Other financial liabilities (Current /non current) | 2,332.34 | 1,748.40 | 3,660.52 | 7,741.26 |

Capital management:

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 50:- Pursuant to Ind AS-17 - Leases, the following information is disclosed:

I. Assets given on operating lease

(i) The company has given mobile harbour crane on operating lease. The lease rentals are receivable by the company on a monthly basis.

(ii) Lease rental recognized as an income in the period

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|---|--------------------------|--------------------------|
| Mobile harbour crane on operating lease | 300.00 | 300.00 |
| | 300.00 | 300.00 |

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|---|--------------------------|--------------------------|
| Gross carrying amount of assets | 3,349.71 | 3,349.71 |
| Accumulated depreciation at the beginning of the year | 2,126.34 | 1,890.08 |
| Depreciation for the year | 236.26 | 236.26 |

(ii) Future minimum lease rentals receivable as at 31st March, 2021 as per the lease agreements:

₹ in Lakhs

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|---|--------------------------|--------------------------|
| Not Later than 1 year | 225.00 | 225.00 |
| Later than 1 year and not later than 5 years | | |
| Later than 5 years | | |
| Total minimum lease payment | 225.00 | 225.00 |
| Less: Amounts representing finance charges | | |
| Present value of minimum lease receivables | 225.00 | 225.00 |

Note 51:- The Company has continued its operations during lockdown due to the outbreak of COVID-19 as the Port Service is considered as one of the essential services by the Government. The Company's substantial port infrastructure capacities are tied up under medium to long term service agreements with its customers, which insulates revenue of the Company under such contracts.

The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, its infrastructure assets, inventory, loans, receivables and debt covenants basis the internal and external sources of information and after exercising reasonable estimates and judgements, it is determined that the carrying amounts of these assets are recoverable.

Based on assessment, the management does not expect any medium to long-term impact on the business of the Company including utilisation of installed capacity and any meeting financial obligations.

Note 52:- The company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of 14th May, 2021, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

Note 53:- South West Port Limited (SWPL) had received a Consent to Operate (CTO) valid till 07th December 2023 vide order no. 5/356/18-PCB/Amde-25 dated 22/08/2019.

Note 54:- In the opinion of the management the current assets, loans and advances (including capital advances) have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

Note 55:- The Company is yet to receive balance confirmation in respect of certain sundry creditors, advances and debtors. The management does not expect any material difference affecting the current years standalone financial statements due to the same.

Note 56:- Disclosures as required by Indian Accounting Standard (Ind As) 33 Earnings per share

| Particulars | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|--|---------------------------------------|---------------------------------------|
| Earnings per share has been computed as under | | |
| Profit for the year (₹) | 40,75,33,487.91 | 25,46,40,103.34 |
| Face Value of Equity Shares (₹) | 10.00 | 10.00 |
| Weighted average number of equity shares outstanding | 4,62,00,000.00 | 4,62,00,000.00 |
| Earnings per equity share | | |
| Basic (₹) | 8.82 | 5.51 |
| Diluted (₹) | 8.82 | 5.51 |



SOUTH WEST PORT LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Note 57:- The additional information pursuant to Schedule III of Companies Act, 2013 is either NIL or Not Applicable.

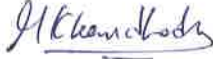
Note 58:- Previous year's figures have been reclassified and regrouped wherever necessary to confirm with the current year classification.

As per our attached report of even date

For H P V S & Associates

Chartered Accountant

Firm Registration No: 137533W



Hitesh R Khandhadia

Partner

Membership No. 158148

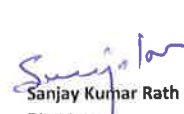
UDIN : 21158148AAAABI3354

Place: Mumbai

Date: 14th May 2021



For and on behalf of the Board of Directors



Sanjay Kumar Rath

Director

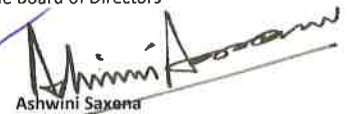
DIN : 06763802



Gazal Qureshi

Company Secretary

M. No. A16843



Ashwini Saxena

Director

DIN : 08627026



Brijmohan Mantri

Chief Financial Officer

PAN: AJPPM1778B