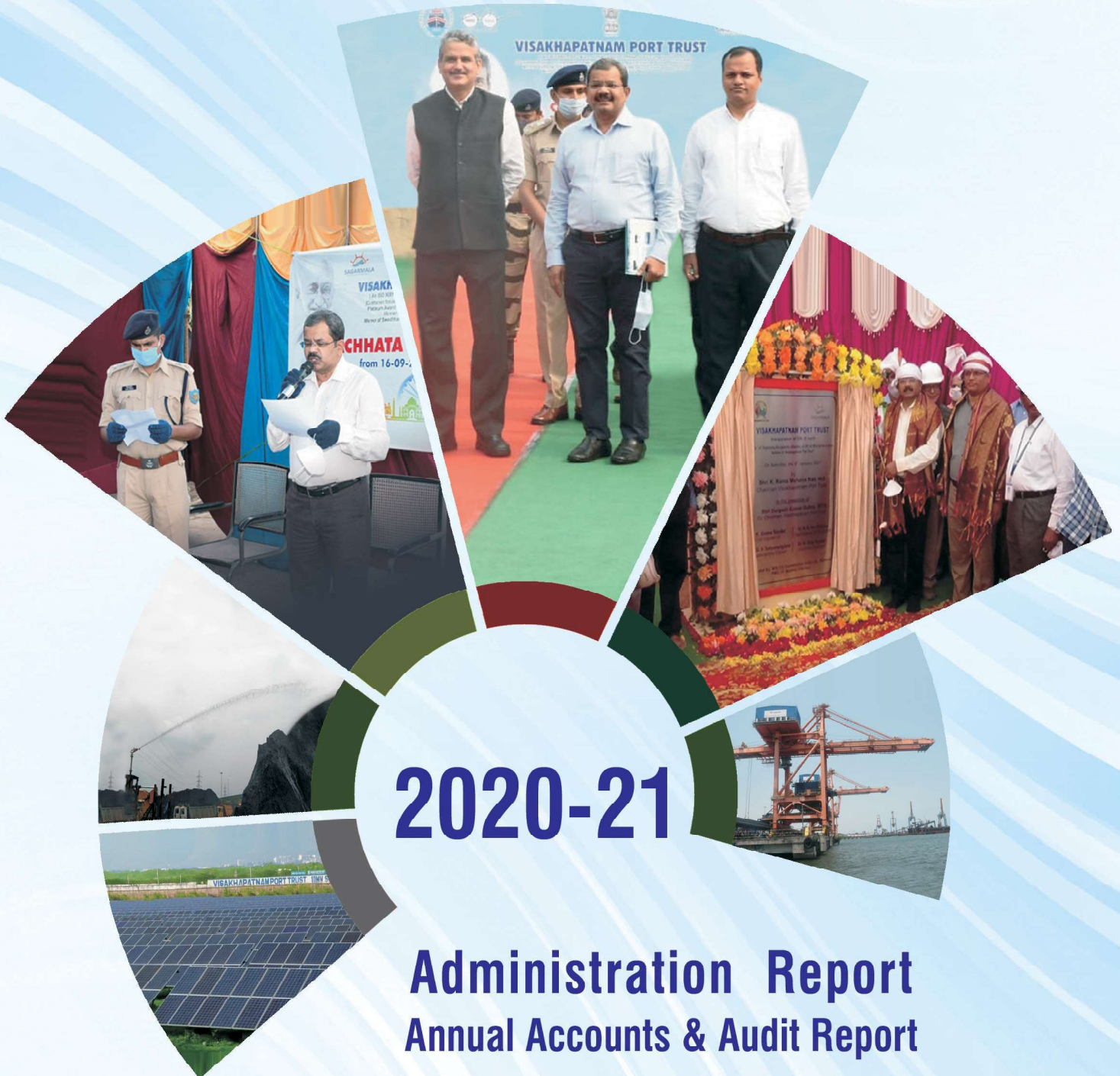




Visakhapatnam Port Trust

ISO 9001:2015, ISO 14001:2015, OHSAS 45001:2018 certified & ISPS compliant



2020-21

Administration Report Annual Accounts & Audit Report

Annual Accounts & Audit Report 2020-21

ANNUAL ACCOUNTS

Schedules to Balance Sheet as at 31 st March 2021	Schedules to Revenue Account for the year ended 31 st March 2021
Schedule 1.1 Reserves and Surplus	Schedule R.1 Cargo Handling & Storage Charges
Schedule 1.2 Loan Funds	Schedule R.2 Port & Dock Charges
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Schedule 1.4 Deferred Tax	Schedule R.4 Estate Rentals
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Schedule 2.2 Investments	Schedule R.6 Port & Dock Facilities
Schedule 2.3 Current Assets, Loan & Advances	Schedule R.7 Railway Working
Schedule 2.4 Current Liabilities & Provisions	Schedule R.8 Rentable Lands and Building
Schedule 2.5 Miscellaneous Expenditure	Schedule R.9 Management & General Administration
	Schedule R.10 Finance & Misc. Income
	Schedule R.11 Finance & Misc. Expenditure

BALANCE SHEET

(In Rupees)

	SCH	As at 31st MARCH 2021		As at 31st MARCH 2020	
SOURCES OF FUNDS:					
RESERVES & SURPLUSES:					
A. CAPITAL RESERVE	1.1		10,17,08,23,557	9,62,98,32,707	
B. REVENUE RESERVES					
a) General Reserve Fund		3,35,27,08,176		2,26,38,91,338	
b) Employees' Welfare Fund		0		0	
c) Employees Family Security Scheme		10,25,34,149		7,98,88,743	
d) Protective Equipemnt Fund		0		0	
e) Liability Reserve Fund		0		0	
			3,45,52,42,325	2,34,37,80,081	
C. STATUTORY RESERVES					
a) Reserve for Replacement, Rehabilitation and Modernisation of Capital Assets		7,57,20,01,079		6,92,49,61,665	
b) Reserve for Development, Repayment of Loans and Contingencies		7,52,90,99,290		6,88,20,59,877	
			15,10,11,00,369	13,80,70,21,542	
Grants Received	1.3				25,78,06,34,330
LOAN FUNDS:	1.2				20,34,58,813
A. SECURED LOANS			0	0	
B. GOVERNMENT LOANS			7,71,92,990	23,39,29,590	
C. UNSECURED LOANS			0	0	
					23,39,29,590
DEFERRED TAX LIABILITY:					0
TOTAL SOURCES OF FUNDS			29,13,80,99,862		26,21,80,22,733

BALANCE SHEET

(In Rupees)

	SCH	As at 31st MARCH 2021		As at 31st MARCH 2020	
APPLICATION OF FUNDS:					
A. FIXED CAPITAL ASSETS: (Net Block)	2.1				
a) Land		34,84,37,415		34,84,37,415	
b) Lease hold Land		73,881		73,881	
c) Capital Dredging		4,87,74,29,921		4,93,14,54,950	
d) Building Sheds and Other Structures		60,05,14,805		62,06,52,513	
e) Wharves, Roads, Boundaries		1,86,06,70,146		1,87,82,61,071	
f) Floating Craft		60,31,31,982		67,69,51,501	
g) Railway and Rolling Stock		1,04,31,53,533		1,08,02,72,878	
h) Docks, Sea-Walls, Piers, & Navigational: Aids		8,18,67,43,640		8,31,44,46,305	
i) Cranes and Vehicles		4,92,40,919		6,77,90,615	
j) Plant & Machinery		76,07,26,617		80,23,42,967	
k) Installations for Water, Electricity, Telecom. & Fire fighting		32,15,31,806	18,65,16,54,665	33,07,75,330	19,05,14,59,426
B. CAPITAL WORKS IN PROGRESS			2,37,54,12,849	1,75,94,31,615	
					20,81,08,91,041
INVESTMENTS:					
2.2					
A. INVESTMENTS OF GENERAL RESERVE FUND					
Shares, Debentures or Bonds (N.T)		29,40,00,000		79,40,00,000	
Government or Trust Securities		3,42,06,31,950		2,93,03,72,100	
Other Investments		3,97,03,444		3,97,03,444	
		1,44,03,71,163	5,19,47,06,557	1,32,57,26,318	5,08,98,01,862

BALANCE SHEET

(In Rupees)

	SCH	As at 31st MARCH 2021		As at 31st MARCH 2020	
CURRENTS ASSETS, LOANS & ADVANCES:					
A. CURRENT ASSETS	2.3				
I. Accrued interest on Investments			37,87,49,227		43,30,21,644
II. Inventories			22,95,91,061		28,11,25,963
III. Sundry Debtors				79,87,20,641	
a) Government Dues		37,03,73,578		0	
b) Inter Port Dues		0			
c) Non Government Dues		3,27,11,89,023	3,64,15,62,601	2,87,30,66,376	3,67,17,87,017
IV. Cash & Bank Balances					
a) Cash Balance on hand		15,93,797		16,17,971	
b) Bank Balances with Scheduled Banks		9,78,07,57,429		9,87,20,58,868	
c) Bank Balances with other Banks		0	9,78,23,51,227	0	9,87,36,76,839
B. LOANS & ADVANCES			14,03,22,54,115		14,25,96,11,463
a) Adv. & Loans to subsidiaries/ Ports / Trusts		12,80,00,000		12,80,00,000	
b) Advances recoverable in cash or in kind for the value to be received		66,74,83,780		62,76,14,662	
c) Gratuity Fund		19,98,398		0	
d) Balances with Customs, Excise, Income Tax etc.		8,17,60,70,703		7,40,66,88,965	
e) Deposits		12,18,63,771		11,10,82,644	
LESS: CURRENT LIABILITIES & PROVISIONS:	2.4		9,09,54,16,652		8,27,33,86,270
A. CURRENT LIABILITIES:					
I. PROVIDENT, PENSION & GRATUITY FUNDS					
a) Provident Fund		4,97,75,022		4,76,40,327	
b) Pension Fund		18,31,07,074		5,25,07,00,070	
c) Gratuity Fund		0	23,28,82,096	31,79,388	5,30,15,19,785
				2,31,27,67,0767	22,53,29,97,733

BALANCE SHEET

(In Rupees)

	SCH	As at 31st MARCH 2021		As at 31st MARCH 2020	
II. SUNDRY CREDITORS					
a) Creditors for Stores		13,32,75,998		3,28,49,632	
b) Unadjusted Sale proceeds of unclaimed goods		0		0	
c) Unadjusted Sale proceeds of surplus materials		0	13,32,75,998	0	3,28,49,632
III. MISCELLANEOUS CREDITORS & CREDIT BALANCES					
a) Demurrage/Wagon Hire charges payable to Railways		17,47,33,877		18,35,62,424	
b) Statutory Payments		1,38,33,86,072		1,01,00,32,711	
c) Liability towards Capital Expenses		2,12,72,455		2,12,72,455	
d) Others		1,44,54,72,909		59,95,86,343	
e) Deposits from Merchants, Contractors & Others		2,28,51,80,076	5,31,00,45,389	2,50,64,17,389	4,32,08,71,322
IV. ADVANCE PAYMENTS & UN EXPIRED DISCOUNTS for the portion for which value has still to be given			5,99,06,11,041		5,18,41,43,062
V. OTHER LIABILITIES			3,65,05,13,655		4,02,86,19,637
VI. INTEREST ACCRUED BUT NOT DUE ON LOANS			36,89,31,489		36,81,41,168
B. PROVISIONS:			15,68,62,59,668		19,23,61,44,606
a) Provision for Taxation		4,52,50,85,309		4,52,50,85,309	
b) Provision for contingencies		0		0	
c) Other provisions		0		0	
NET CURRENT ASSETS			4,52,50,85,309		4,52,50,85,309
MISCELLANEOUS EXPENDITURE: (To the extent not written off or adjusted)	2.5		20,21,13,44,977		23,76,12,29,915
DEFERRED TAX ASSET:			2,91,63,25,790		-1,22,82,32,182
TOTAL APPLICATION OF FUNDS	1.4		0		0
			0		1,54,55,62,012
			29,13,80,99,862		26,21,80,22,733

Sd/-
CHAIRMANSd/-
FA&CAO

Schedules to Balance Sheet

SCHEDULE - 1.1

RESERVES AND SURPLUSES

(In Rupees)

	Capital Reserve	Revenue Reserves			Statutory Reserves		
		General Reserve Fund	Employees' Family Security Scheme	Employees' Welfare Fund	Capital Assets Replacement Reserve	Reserve for Development, Repayment of Loans & Contingencies	
Opening Balance as on 01.04.2020	9,62,98,32,707	2,26,38,91,338	7,98,88,743	0	6,92,49,61,665	6,88,20,59,877	
ADD:							
1. (a) Contribution from Revenue A/c	0	0		0			
(b) Additional Depreciation	0	0	2,42,28,462	0	64,70,39,414	64,70,39,414	
2. Transfer from Revenue A/c	7,31,000	1,09,16,16,838	0	0	0	0	
3. (a) Transfer from Other Reserves	0	0	0	0	0	0	
(b) General Reserve Fund		0	3,00,000	25,00,000	0	0	
4. Other Transfers	54,02,59,850	0	0	0	0	0	
	10,17,08,23,557	3,35,55,08,176	10,44,17,205	25,00,000	7,57,20,01,079	7,52,90,99,291	
LESS:							
1. Transfer from Reserves							
a) Net Deficit	0	0	0	0	0	0	
b) Transfer to Capital Reserve	0	0	0	0	0	0	
c) Repayment of Loans	0	0	0	0	0	0	
d) Transfer to Statutory Reserves	0	0	0	0	0	0	
2. Other Transfers							
a) Transfer to Family Security Scheme and Welfare fund	0	28,00,000	0		0	0	
3. Expenditure during the year	0	0	18,83,056	25,00,000	0	0	
	10,17,08,23,557	3,35,27,08,176	10,25,34,149	0	7,57,20,01,079	7,52,90,99,291	
Closing Balance as on 31.03.2021							

Sd/-
FA&CAO

Schedules to Balance Sheet

SCHEDULE - 1.2

LOAN FUNDS

(In Rupees)

	Secured Loans	
	Loans & Advances	Funds provided by Govt. of India
	₹	JICA LOAN
Balance as on 1-04-2020		23,39,29,590
Received during the year		0
Payments during the year		15,67,36,600
Balance as on 31-03-2021		7,71,92,990

Schedules to Balance Sheet

SCHEDULE - 1.3

GRANTS RECEIVED

Received Grant towards Construction of Cruise Berth	19,25,00,000
Interest Received	2,02,27,227
Balance as on 31-03-2021	21,27,27,227

Schedules to Balance Sheet

SCHEDULE - 1.4

DEFERRED TAX

	AS AT 31st MARCH 2021	AS AT 31st MARCH 2020
Deferred Tax Liabilities - Opening Balance:		
Timing difference on account of Depreciation	38,93,07,752	41,93,09,570
Less/Add: Upfront amortisation DTL	60,56,23,341	63,26,27,908
Less: Timing difference on account of sums payable as employer u/s 43(B) of IT Act, 1961	2,54,04,93,105	2,22,62,59,708
Deferred Tax Liability / (Asset)	-1,54,55,62,012	-1,17,43,22,230
Timing difference on account of Depreciation DTL	3,94,49,0761	38,93,07,752
Less/Add: Upfront amortisation DTL	58,08,41,670	60,56,23,341
Less: Timing difference on account of sums payable as employer u/s 43(B) of IT Act, 1961 DTA	85,43,19,037	2,54,04,93,105
Deferred Tax Liability / (Asset) Closing balance	12,10,13,394	-1,54,55,62,012
Net Deferred Tax charged to P&L Account	1,66,65,75,406	-37,12,39,782

Sd/-
FA&CAO

Schedules to Balance Sheet

SCHEDULE - 2.1

FIXED CAPITAL ASSETS

(In Rupees)

	Asset class	Gross Block				Depreciation				Net Block	
		As on 1st April 2020	Additions	Deletions	As on 31st March 2021	As on 1st April 2020	Depreciation during the year	Depreciation adjustment	Depreciation as on 31/3/2021	As at 1st April 2020	As at 1st April 2021
1	Land	34,84,37,415	0	0	34,84,37,415	0	0	0	0	34,84,37,415	34,84,37,415
	Lease hold Land	73,881	0	0	73,881	0	0	0	0	73,881	73,881
2	Capital Dredging	5,57,93,24,662	0	0	5,57,93,24,662	64,78,69,712	5,40,25,029	0	70,18,94,741	4,93,14,54,950	4,87,74,29,921
3	Buildings, Sheds and Other Structures	1,03,69,25,948	34,59,854	0	1,04,03,85,801	41,62,73,435	2,35,97,561	0	43,98,70,997	62,06,52,513	60,05,14,805
4	Wharves Roads Boundaries	2,55,04,62,125	4,80,93,263	48,93,380	2,59,36,62,008	67,22,01,054	6,88,43,581	80,52,772	73,29,91,863	1,87,82,61,071	1,86,06,70,146
5	Floating Craft	2,21,84,18,185	22,86,201	65,84,493	2,21,41,19,893	1,54,14,66,684	7,61,05,719	65,84,493	1,61,09,87,910	67,69,51,501	60,31,31,982
6	Railway and Rolling Stock	1,87,67,16,641	0	0	1,87,67,16,641	79,64,43,763	3,71,19,345	0	83,35,63,107	1,08,02,72,878	1,04,31,53,533
7	Docks, Sea-Walls, Piers and Navigational: Aids	9,58,44,45,002	10,48,102	0	9,58,54,93,104	1,26,99,98,698	12,87,50,766	0	1,39,87,49,464	8,31,44,46,305	8,18,67,43,640
8	Cranes and Vehicles	47,63,06,169	0	16,96,042	47,46,10,127	40,85,15,554	1,85,49,696	16,96,042	42,53,69,208	6,77,90,615	4,92,40,919
9	Plant & Machinery	1,75,78,79,839	2,08,59,850	0	1,77,87,39,689	95,55,36,872	6,24,76,201	0	1,01,80,13,073	80,23,42,967	76,07,26,617
10	Installations for Water, Electricity Telecom. & Fire Fighting	1,46,47,43,735	6,89,40,145	2,57,925	1,53,34,25,956	1,13,39,68,406	7,79,25,745	0	1,21,18,94,150	33,07,75,330	32,15,31,806
	TOTAL	26,89,37,33,603	14,46,87,414	1,34,31,839	27,02,49,89,178	7,84,22,74,177	54,73,93,643	1,63,33,307	8,37,33,34,512	19,05,14,59,426	18,65,16,54,665
11	Capital Works in progress	1,75,94,31,615	1,89,65,38,726	1,28,05,57,492	2,37,54,12,849					1,75,94,31,615	2,37,54,12,849
	TOTAL FIXED CAPITAL ASSETS	28,65,31,65,218	2,04,12,26,141	1,29,39,89,331	29,40,04,02,028					20,81,08,91,041	21,02,70,67,514

Sd/-
FA&CAO

INVESTMENTS

(In Rupees)

	As at 31st MARCH 2021		As at 31st MARCH 2020	
	COST VALUE	FACE VALUE	COST VALUE	FACE VALUE
Non Treadable Investments	₹	₹	₹	₹
A. GENERAL RESERVE				
CURRENT INVESTMENTS				
LONG TERM INVESTMENTS:				
1. Government or Trust Securities NT				
2. Shares, Debentures or Bonds (N.T)				
NHAI EQUITY (31.03.2017)	18,00,00,000	18,00,00,000	18,00,00,000	18,00,00,000
SETHU SAMUDRAM CORP LTD	30,00,00,000	30,00,00,000	30,00,00,000	30,00,00,000
Provision made for diminution SETHU SAMUDRAM CORP LTD	-30,00,00,000	-30,00,00,000	0	0
NHAI EQUITY	60,00,00,000	60,00,00,000	60,00,00,000	60,00,00,000
INDIAN PORT RAIL CORPORATION	10,80,00,000	10,80,00,000	10,80,00,000	10,80,00,000
NHAI/SAGARA MALA DEVELOPMENT	0	0	20,00,00,000	20,00,00,000
TOTAL (A)	29,40,00,000	29,40,00,000	79,40,00,000	79,40,00,000
B. STATUTORY RESERVES				
CURRENT INVESTMENTS				
LONG TERM INVESTMENTS:				
1. Government or Trust Securities				
CG 2034 @ 7.50% (N.T)	2,01,70,333	2,00,00,000	2,01,70,333	2,00,00,000
CG 2035 @ 7.40% (N.T)	1,95,33,111	2,00,00,000	1,95,33,111	2,00,00,000
TOTAL (1)	3,97,03,444	4,00,00,000	3,97,03,444	4,00,00,000
2. Shares, Debentures or Bonds				
DCI Shares 5451710 Shares@10/-face	2,78,03,72,100	5,45,17,100	2,78,03,72,100	5,45,17,100
DCI Tax Free Bonds - 2013 (N.T)	10,00,00,000	10,00,00,000	10,00,00,000	10,00,00,000
CANARA BANK BONDS (N.T)	0	0	5,00,00,000	5,00,00,000
VSP Port logistics park ltd	54,02,59,850	54,02,59,850	0	0
TOTAL (2)	3,42,06,31,950	69,47,76,950	2,93,03,72,100	20,45,17,100
TOTAL (B = 1+2)	3,46,03,35,394	73,47,76,950	2,97,00,75,544	24,45,17,100
TOTAL(A+B)	3,75,43,35,394	1,02,87,76,950	3,76,40,75,544	1,03,85,17,100

Schedules to Balance Sheet

SCHEDULE - 2.2

INVESTMENTS

(In Rupees)

	As at 31st MARCH 2021		As at 31st MARCH 2020	
	COST VALUE	FACE VALUE	COST VALUE	FACE VALUE
	₹	₹	₹	₹
C. Other Funds				
LIC of India under Group Leave Encashment Scheme	1,26,73,53,916	1,15,48,46,973	1,15,60,89,933	1,15,48,46,973
Bajaj Allianz under Group Leave Encashment Scheme	3,52,14,300	4,27,36,924	4,54,78,340	42,73,69,24
Bajaj Allianz under Family Security Scheme	9,36,01,761	7,91,97,513	8,12,55,042	7,91,97,513
State Bank of India (Life) under Group Leave Encashment Scheme	4,42,01,186	4,99,89,482	4,29,03,003	4,99,89,482
TOTAL (C)	1,44,03,71,163	1,32,67,70,892	1,32,57,26,318	1,32,67,70,892
TOTAL INVESTMENTS: (A+B+C)	5,19,47,06,557	2,35,55,47,842	5,08,98,01,862	2,36,52,87,992

N.T - Non Tradeable

T - Tradeable: Market Value as on 31.03.2021 is Rs.370.75 per share

Sd/-
FA&CAO

CURRENT ASSETS, LOANS & ADVANCES

(In Rupees)

	As at 31st MARCH 2021		As at 31st MARCH 2020	
	₹	₹	₹	₹
CURRENT ASSETS				
i. Accrued Interest on Investments		37,87,49,227		43,30,21,644
ii. Inventories				
Service Stock & Spares				
Inventories held for less than 2 years	22,75,18,993		27,74,76,078	
Inventories held for more than 2 years but less than 3 years	6,03,221		10,06,271	
Inventories held for more than 3 years but less than 10 years	14,81,912		28,66,983	
Inventories held for more than 10 years but less than 15 years	46,038		42,405	
Inventories held for more than 15 years	20		20	
	22,96,50,184		28,13,91,757	
less: Depreciation on Non-moving Inventories	59,123	22,95,91,061	2,65,794	28,11,25,963
iii. Sundry Debtors				
a) Debts Considered good but not secured:				
a. Cargo related dues	29,98,78,776		62,51,17,876	
b. Vessel related dues	23,81,543		63,79,458	
c. Estate dues	3,03,80,29,021		2,79,03,61,925	
d. Railway dues	21,35,13,798		16,96,01,720	
e. Fishing Harbour dues	5,03,73,710		4,29,40,285	
f. Other misc. dues	3,73,85,753		3,73,85,753	
		3,64,15,62,601		3,67,17,87,017
b) Debts Considered doubtful or Bad:				
a. Cargo related dues	2,29,27,786		2,29,27,786	
b. Vessel related dues	2,377		2,377	
c. Estate dues	42,59,566		42,59,566	
d. Railway dues	4,08,79,049		4,08,79,049	
e. Fishing Harbour dues	50,26,643	7,30,95,421	50,26,643	7,30,95,421
		3,71,46,58,022		3,74,48,82,438
less: Provision for Doubtful Debts		7,30,95,421		7,30,95,421
		3,64,15,62,601		3,67,17,87,017
iv. Cash & Bank Balances				
a. Cash on hand		15,93,797		16,17,971
b. Balance at Banks:				
c. In Current/Savings Bank Accounts:				

Schedules to Balance Sheet

SCHEDULE - 2.3

CURRENT ASSETS, LOANS & ADVANCES

(In Rupees)

	As at 31st MARCH 2021		As at 31st MARCH 2020	
	₹	₹	₹	₹
Andhra Bank - Port Branch	1,61,47,346		21,41,29,869	
Axis Bank	4,46,83,704		4,15,06,637	
Bank of Baroda	7,08,998		58,188	
Canara Bank	7,153		7,627	
Bank of Baroda(VIJAYA BANK)	30,94,239		0	
Indian Overseas Bank	8,561		8,725	
Industrial Development Bank of India (IDBI)	1,76,623		1,76,623	
Oriental Bank of Commerce	11,08,696		11,08,696	
State Bank of India - Surya Bagh Branch	1,02,35,009		51,76,710	
State Bank of India - Main Branch	6,55,337		6,55,337	
State Bank of India - Main Branch (Escrow A/c)	16,29,247		16,40,584	
State Bank of India - Port Branch	35,52,40,140		25,10,93,100	
Union Bank of India - RTGS SB A/c 133641	52,46,063		98,91,907	
SBI Imprest	4,12,429		6,03,538	
SBI-PB-PCS A/c(I)-31	1,00,000		1,00,000	
IDBI-PCS(O)-15010300	58,620		61,602	
HDFC-PCS A/c(O)-5003	3,58,73,849		4,09,42,934	
SBI- RFID	37,79,024		3,76,38,049	
ICICI-PCS A/c(I)-600	12,70,60,911		74,13,648	
Misc. Banks	39,11,491		84,58,115	
		61,01,37,440		62,06,71,889
d. In Deposits Accounts (TDR A/c & CLTD A/c):				
Union Bank of India(Andhra Bank)	33,25,15,315		1,55,99,00,000	
Union Bank of India	1,45,99,99,988		1,25,00,00,000	
Canara Bank	60,00,00,000		85,00,00,000	
LIC Of INDIA	3,72,56,04,795		3,89,89,86,980	
State Bank of India - Port Branch	2,01,24,99,903		7,25,00,000	
Union Bank of India (Corporation Bank)	23,99,99,988		15,00,00,000	
Indian Bank(Allahabad Bank)	0		1,99,99,999	
Indian Overseas Bank	0		1,15,00,00,000	
Indian Bank	80,00,00,000		30,00,00,000	
	9,17,06,19,989	9,17,06,19,989	9,25,13,86,979	9,25,13,86,979
		9,78,23,51,226		9,87,36,76,838
TOTAL CURRENT ASSETS		14,03,22,54,115		14,25,96,11,463

CURRENT ASSETS, LOANS & ADVANCES

(In Rupees)

	As at 31st MARCH 2021		As at 31st MARCH 2020	
	₹	₹	₹	₹
LOANS & ADVANCES *				
1. Advances & Loans to subsidiaries/ Ports / Trusts				
Stores drawn by Cargo Handling Division	0		0	
Intercompany Loan	1,00,00,000		1,00,00,000	
Advance to Pension Fund Trust				
Advance to Gratuity Fund Trust				
Sub-ordinate Loan to Visakhapatnam Port Road Co. Ltd.	11,80,00,000		11,80,00,000	
		12,80,00,000		12,80,00,000
2. Advances recoverable in cash or in kind or the value to be received				
Advances for Contract Works	33,34,23,541		28,77,60,670	
Advances for Purchases - Stores	5,72,59,330		5,82,08,118	
Computer Advances	24,53,085		28,25,862	
House Building Advances	39,02,326		41,21,747	
Motor Car/Cycle Advances	13,49,224		14,82,761	
Travel/LTC Advances	60,31,496		59,91,724	
Gratuity Fund	19,98,398		0	
Others	26,36,69,178		26,78,28,179	
		67,00,86,577		62,82,19,061
less: Provision for Doubtful Advances		6,04,399		6,04,399
		66,94,82,178		62,76,14,662
3. Balances with Customs Excise Income Tax etc.				
Voluntary deposit with Telecommunication Dept.	30,550		30,550	
Income Tax - TDS Advance Tax & Service Tax	8,17,60,40,153		7,40,66,58,415	
		8,17,60,70,703		7,40,66,88,965
4. Deposits				
Deposits with APTRANSCO.	6,83,70,111		5,75,88,984	
Deposits with GVMC.	5,34,93,660		5,34,93,660	
		12,18,63,771		11,10,82,644
* Loans and Advances considered as good and unsecured.				
TOTAL LOANS & ADVANCES		9,09,54,16,652		8,27,33,86,271

Sd/-
FA&CAO

Schedules to Balance Sheet

SCHEDULE - 2.4

CURRENT LIABILITIES AND PROVISIONS

(In Rupees)

	As at 31st MARCH 2021		As at 31st MARCH 2020	
	₹	₹	₹	₹
I. PROVIDENT, PENSION & GRATUITY FUNDS				
a) Provident Fund	4,97,75,022		4,76,40,327	
b) Pension Fund	18,31,07,074		5,25,07,00,070	
c) Gratuity Fund	0		31,79,388	
		23,28,82,096		5,30,15,19,785
II. SUNDRY CREDITORS				
a) Creditors for Stores	13,32,75,998		3,28,49,632	
b) Unadjusted Sale proceeds of unclaimed goods	0		0	
c) Unadjusted Sale proceeds of surplus materials	0		0	
		13,32,75,998		3,28,49,632
III. MISCELLANEOUS CREDITORS & CREDIT BALANCES				
a) Demurrage/Wagon Hire charges payable to Railways	17,47,33,877		18,35,62,424	
b) Statutory Payments	1,38,33,86,072		1,01,00,32,711	
c) Liability towards Capital Expenses	2,12,72,455		2,12,72,455	
d) Others	1,44,54,72,909		59,95,86,343	
e) Deposits from Merchants, Contractors & Others	2,28,51,80,076		2,50,64,17,389	
		5,31,00,45,388		4,32,08,71,322
IV. ADVANCE PAYMENTS & UN EXPIRED DISCOUNTS for the portion for which value has still to be given				
a) Prepaid Income	23,29,56,755		15,53,78,056	
b) Up-front Premium to be amortised	5,75,76,54,286		5,02,87,65,006	
		5,99,06,11,041		5,18,41,43,062
V. OTHER LIABILITIES		3,65,05,13,655		4,02,86,19,637
VI. INTEREST ACCRUED BUT NOT DUE ON LOANS		36,89,31,489		36,81,41,168
TOTAL CURRENT LIABILITIES		15,68,62,59,668		19,23,61,44,606
B. PROVISIONS:				
I) Provision for Taxation	4,52,50,85,309		4,52,50,85,309	
II) Provision for contingencies	0		0	
III) Other provisions	0		0	
TOTAL PROVISIONS		4,52,50,85,309		4,52,50,85,309
TOTAL CURRENT LIABILITIES & PROVISIONS		20,21,13,44,977		23,76,12,29,915

PROFIT AND LOSS ACCOUNT

(In Rupees)

	FOR THE PERIOD ENDING	
	31st MARCH 2021	31st MARCH 2020
INCOME:		
Cargo Handling & Storage Charges	5,50,95,70,480	5,14,43,73,282
Port & Dock Charges	5,41,87,80,348	5,01,27,96,519
Railway Earnings	1,41,45,33,429	1,76,23,79,831
Estate Rentals	2,11,39,92,037	2,12,22,56,377
TOTAL OPERATING INCOME	14,45,68,76,294	14,04,18,06,009
EXPENDITURE:		
Cargo Handling & Storage	1,53,11,30,762	1,35,52,07,983
Port & Dock Facilities	1,44,86,90,645	1,58,43,74,634
Railway Working	90,34,47,348	95,15,44,194
Rentable lands & Buildings	43,29,06,378	50,99,61,242
Management & General Administrative Expenses	2,22,53,25,623	2,22,44,37,766
TOTAL OPERATING EXPENDITURE	6,54,15,00,755	6,62,55,25,819
OPERATING SURPLUS:	7,91,53,75,539	7,41,62,80,189
Add: Finance & Miscellaneous Income	78,15,75,392	1,07,65,36,201
Less: Finance & Miscellaneous Expenditure	4,64,39,48,860	5,43,45,22,924
PROFIT BEFORE TAX	4,05,30,02,070	3,05,82,93,466
Less: Provision for Taxation:		
Previous Years	0	0
Current Year	0	68,55,53,168
Deferred Tax	1,66,65,75,405	-37,12,39,783
PROFIT AFTER TAX	2,38,64,26,665	2,74,39,80,081
Less: Profit on Disposal of Capital Assets transferred to Capital Reserve	7,31,000	4,24,054
Amount Available for Appropriations	2,38,56,95,665	2,74,35,56,027
Less: Appropriations		
Fund for Development, Repayment of Loans and Contingencies	64,70,39,414	94,89,38,675
Fund for Replacement, Rehabilitation and Modernisation of Capital Assets	64,70,39,414	53,46,96,817
TOTAL APPROPRIATIONS	1,29,40,78,827	1,48,36,35,493
BALANCE TRANSFERRED TO GENERAL RESERVE	1,09,16,16,838	1,25,99,20,535

Sd/-
CHAIRMANSd/-
FA&CAO

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(In Rupees)

	FOR THE PERIOD ENDING	
	31st MARCH 2021	31st MARCH 2020
SCHEDULE - R.1		
CARGO HANDLING & STORAGE CHARGES:		
Handling & Storage charges on General Cargo	2,35,05,16,748	2,21,93,93,279
Storage of goods in Ware Houses	4,11,81,458	3,71,32,631
Cranage	28,91,374	22,92,095
Lighterage	0	0
Handling of POL Oils & Lubricants	1,12,95,00,692	76,08,01,609
Demurrage fees on General Cargo	1,52,11,723	2,16,81,949
Royalties from BOT Contracts	1,90,65,24,647	2,06,05,85,269
Miscellaneous Charges	6,37,43,838	4,24,86,450
TOTAL	5,50,95,70,480	5,14,43,73,282
SCHEDULE - R.2		
PORT & DOCK CHARGES:		
Towing and Mooring Fees	6,40,67,805	5,46,87,502
Dock Dues	1,19,62,29,117	1,02,71,87,409
Port Dues	1,44,06,35,371	1,36,85,23,006
Pilotage Fees	2,65,77,56,572	2,51,93,64,978
Dry - Docking charges	2,68,800	1,62,09,066
Water supply to shipping	61,14,484	8,112,886
Salvage and Under Water Repairs	2,95,75,965	28,44,712
Miscellaneous Charges	2,41,32,234	1,58,66,960
TOTAL	5,41,87,80,348	5,01,27,96,519
SCHEDULE - R.3		
RAILWAY EARNINGS:		
Wagon Hire & Haulage Charges	22,27,93,962	17,10,15,430
Siding Charges	42,42,80,570	58,38,24,895
Terminal Charges	77,48,76,001	83,23,44,117
Miscellaneous Charges	-74,17,104	17,51,95,389
TOTAL	1,41,45,33,429	1,76,23,79,831

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(In Rupees)

	FOR THE PERIOD ENDING	
	31st MARCH 2021	31st MARCH 2020
SCHEDULE - R.4		
ESTATE RENTALS:		
Rent from Lands	2,04,71,27,224	2,02,93,64,403
Rent on Storage Sheds	3,726	0
Rent from accommodation provided for outside offices	91,00,489	1,15,74,781
Kalavani Auditorium	-32,24,833	90,07,555
Rent from Port Trust quarters	17,53,305	30,19,927
Recoverable Charges	4,57,31,793	5,23,40,848
Miscellaneous Income	1,35,00,333	1,69,48,863
TOTAL	2,11,39,92,037	2,12,22,56,377
SCHEDULE - R.5		
CARGO HANDLING & STORAGE :		
Handling and Storage of General Cargo at Sheds and Wharves	90,05,55,605	74,69,31,874
Warehousing	0	0
Operation and Maintenance of OSTT	1,57,16,787	1,43,43,964
Operation and Maintenance of Lighters and Barges	70,714	1,54,328
Operation and Maintenance of Wharf Cranes & Crane Vessels	2,41,28,441	2,06,48,587
Expenditure on General facilities at Docks	2,47,87,930	2,29,03,180
Administration & General Expenses	46,58,73,192	44,00,91,613
New Minor Works	0	0
Depreciation	9,99,98,093	11,01,34,437
TOTAL	1,53,11,30,762	1,35,52,07,983

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(In Rupees)

	FOR THE PERIOD ENDING	
	31st MARCH 2021	31st MARCH 2020
SCHEDULE - R.6		
PORT & DOCK FACILITIES:		
Towing Berthing and Mooring	54,20,34,781	52,48,57,579
Pilotage	34,08,60,690	29,25,09,384
Dry Docking Expenses	3,25,88,963	4,13,68,343
Water Supply to Shipping	75,79,829	1,07,86,902
Fire Fighting	6,36,72,891	6,28,91,982
Dredging and Marine Survey	12,94,58,099	21,39,52,078
Operation & Maint. of Navigational aids	1,45,26,636	1,61,32,888
Salvage & Under-water repairs	87,909	4,60,181
Maintenance of Docks & Harbour Walls, Marine Structures etc.	1,76,67,274	2,00,56,640
Administration & General Expenses	3,38,80,902	2,95,37,432
New Minor Works	0	0
Depreciation	26,63,32,671	37,18,21,225
TOTAL	1,44,86,90,645	1,58,43,74,633
SCHEDULE - R.7		
RAILWAY WORKING:		
Operation & Maintenance of Locomotives Wagons etc.	29,16,84,322	34,69,20,993
Maintenance of Permanent Way Signals & Inter-locking	11,73,06,211	11,34,73,269
Operation, Maint. & Admn. expenses of Stations, Yards and Sidings	0	0
Administration & General Expenses	45,46,78,444	44,72,19,893
New Minor Works	0	0
Depreciation	3,97,78,371	4,39,30,039
TOTAL	90,34,47,348	95,15,44,194
SCHEDULE - R.8		
RENTABLE LANDS & BUILDINGS:		
Estate Maintenance	35,12,99,138	44,06,76,449
Land repairs and reclamation	47,63,244	21,98,008
Administration & General Expenses	7,18,431	13,17,961
New Minor Works	0	0
Depreciation	7,61,25,565	6,57,68,824
TOTAL	43,29,06,378	50,99,61,242

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(In Rupees)

	FOR THE PERIOD ENDING	
	31st MARCH 2021	31st MARCH 2020
SCHEDULE - R.9		
MANAGEMENT & GENERAL ADMINISTRATION:		
Management & Secretarial Expenses	11,10,86,354	14,37,04,081
Port Security (C.I.S.F)	51,58,71,830	37,00,27,623
Legal Expenses	1,45,10,485	1,26,18,628
Labour and Welfare Expenses	4,72,41,755	3,85,63,693
Research and Planning Cell	5,43,68,048	6,23,30,937
Medical Expenses	37,48,19,107	37,51,98,371
Store Keeping	6,76,75,703	6,13,69,065
Accounting and Auditing	17,59,09,006	5,20,37,643
Expenditure on Head Office Building	42,32,308	17,85,911
Telephones	65,98,345	99,04,443
Engineering & Workshop Administration Overheads	74,25,44,675	95,20,10,538
Sundry Expenses	7,09,50,730	10,20,22,056
Depreciation	3,95,17,277	4,28,64,777
TOTAL	2,22,53,25,623	2,22,44,37,766
SCHEDULE - R.10		
FINANCE & MISCELLANEOUS INCOME:		
Interest on Fixed Deposits & Cash Balances	43,92,11,955	65,89,79,358
Interest on Revenue Account	1,01,66,557	5,70,52,871
Interest on Deposit Account	19,68,413	31,65,436
Interest on Income Tax Refunds	5,61,37,833	0
Hire of plant other than for cargo handling	0	0
Miscellaneous Income	25,00,68,616	22,58,87,229
RFID Income	0	2,89,69,786
Sundry Receipts	2,11,12,260	9,26,71,860
Coin adjustment	28,630	0
Profit on Disposal of Capital Assets	7,31,000	12,42,669
Centage Charges	0	65,408
Sale of Tender documents	3,62,124	6,79,726
Stores Adjustments (Excesses)	17,88,004	95,75,069
Items relating to previous year	0	-17,53,211
TOTAL	78,15,75,392	1,07,65,36,201

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(In Rupees)

	FOR THE PERIOD ENDING	
	31st MARCH 2021	31st MARCH 2020
SCHEDULE - R.11		
FINANCE & MISCELLANEOUS EXPENDITURE:		
Bank Charges	2,07,180	3,31,056
INTEREST PAYABLE ON :		
i) Loans from Government	16,24,353	74,77,447
ii) Loans from Other agencies	0	0
iii) Interest on Others	1,94,58,613	0
Coin adjustment	0	18403
Bad Debts written off	42,887	0
Provision for Bad and Doubtful debts	0	0
Provision for anticipated reduction in investment	0	0
Property Tax	58,69,63,268	55,78,10,339
Expenses on IT appeals etc	22,000	1,000
Loss on Disposal of Capital Assets	0	6,32,442
Stores Adjustments	0	0
Loss from external product price differences	22,75,993	69,86,860
Survival benefits pa	578,351	0
i) Retirement Gratuities	20,99,99,990	23,83,00,000
ii) V.R.Scheme Ex-gratia payment	6,97,50,025	12,68,36,655
Covid Ex-gratia payment	4,00,00,000	0
iii) a) Pension Payments	2,71,97,92,845	2,81,81,57,453
b) Contribution to New Pension (Tier-I) Scheme	6,05,24,898	6,15,27,299
c) Contribution to pension fund	58,00,00,000	61,01,00,000
d) Commutation of Pension	25,34,20,548	24,25,70,111
e) Provision for Drop in Pension payment	0	50,00,00,000
Contribution to Corporate Social Responsibility Fund	5,48,79,602	3,73,53,704
Miscellaneous Expdr	1,97,25,000	0
Prior period expenses	2,46,83,306	22,64,20,155
TOTAL	4,64,39,48,860	5,43,45,22,924

Sd/-
FA&CAO

ADDITIONAL SCHEDULE TO PROFIT AND LOSS ACCOUNT
TOTAL EXPENDITURE (INCLUDING FINANCE AND MISC. EXPENSES)

(In Rupees)

	FOR THE PERIOD ENDING	
	31st MARCH 2021	31st MARCH 2020
A. PAYMENTS TO AND PROVISIONS FOR EMPLOYEES :		
1. SALARIES, WAGES & BONUS ETC.		
i. Salaries and wages	3,41,80,54,915	3,19,08,20,906
ii. Wage Revision Arrears Provision	0	0
iii. Bonus	4,39,88,393	4,78,15,469
	3,46,20,43,308	3,23,86,36,375
2. CONTRIBUTION TO PROVIDENT AND OTHER FUNDS		
i. Trustees' contribution to Provident fund	0	0
ii. Contribution to Pension fund	58,00,00,000	61,01,00,000
iii. Pension payments including commutation of pension	3,00,16,50,545	3,08,65,99,852
iv. Pool Kalasi EPF VPT& CHD Contrib	3,26,66,087	3,56,55,011
	3,61,43,16,632	3,73,23,54,863
3. GRATUITY	21,00,00,000	23,83,00,000
4. WORKMEN AND STAFF WELFARE EXPENSES		
i. Leave Travel Expenses	94,154	10,66,907
ii. Medical Reimbursement Expenses	13,99,23,885	15,16,80,286
iii. Nutrition to inpatients	4,67,620	3,71,457
iv. Stores (Medicines)	5,76,60,621	6,22,52,679
v. Stores (Surgical)	1,04,71,951	62,00,637
vi. Payments under workmen compensation Act.	12,34,280	0
vii. Passes and PTO's	0	0
viii. Scholarships Prizes and awards	28,500	84,500
ix. VR scheme Ex-gratia Payments	6,97,50,025	12,68,36,655
x. Exgratia on Covid 19	4,00,00,000	0
	31,96,31,036	34,84,93,121
TOTAL (A)	7,60,59,90,976	7,55,77,84,359
B. OPERATING EXPENSES :		
1. CONSUMPTION OF STORES ON SPARE PARTS ETC.	2,89,51,606	6,63,17,744
2. REPAIRS TO PLANT AND MACHINERY (MECH)	22,33,79,263	26,33,15,247
3. REPAIRS TO BUILDINGS AND CIVIL STRUCTURES	18,69,83,329	22,87,49,845

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(In Rupees)

	FOR THE PERIOD ENDING	
	31st MARCH 2021	31st MARCH 2020
4. OTHER REPAIRS		
i. Special Repairs	0	0
ii. Special Repairs Covered by Estimates	1,86,45,576	2,43,21,298
iii. Office machine Hire & service charges	3,44,85,081	3,97,46,462
	5,31,30,657	6,40,67,760
5. STORES CONSUMED		
i. Stores General	3,50,88,300	5,04,73,585
	3,50,88,300	5,04,73,585
6. POWER, FUEL, LUBRICANTS ETC.		
i. Stores (Operational)	34,77,44,224	33,67,61,206
ii. Electric Power	11,33,90,559	9,59,13,227
	46,11,34,783	43,26,74,433
7. NEW MINOR WORKS	0	0
8. OTHER OPERATIONAL EXPENSES		
i. Damages & Deficiencies payable to Railways	94,76,684	64,59,684
ii. Wagon hire charges	0	0
iii. Hire charges for floating crafts	2,55,18,313	2,51,17,021
iv. Hire charges for vehicles	8,23,11,499	5,55,87,777
v. Hire charges for Pvt. Tugs	17,53,85,089	10,98,59,043
vi. Handling charges	21,83,94,970	21,74,78,074
vii. Sundry expenses Operational	1,03,97,590	70,81,919
viii. Freight and handling charges	0	0
ix. Safety	0	0
x. Security Charges	48,37,91,454	36,20,58,623
x. Private Security	2,20,28,997	2,28,57,821
xi. Dredging Charges	7,37,41,354	15,43,15,099
xii. Depreciation	52,17,51,977	63,45,19,301
	1,62,27,97,927	1,59,53,34,363
TOTAL (B)	2,61,14,65,865	2,70,09,32,977

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(In Rupees)

	FOR THE PERIOD ENDING	
	31st MARCH 2021	31st MARCH 2020
C. GENERAL EXPENSES:		
i. Rent, Rates and Taxes	2,85,944	4,25,070
ii. Audit Fees	54,99,000	78,39,950
iii. Water Charges	3,93,68,448	4,87,15,731
iv. Communication Expenses	3,33,372	2,83,530
v. Other Expenses	0	2,03,279
vi. Insurance	6,84,51,371	4,50,07,748
vii. Traveling Expenses	24,12,659	97,12,952
viii. Furniture and Office Equipment	1,09,478	1,28,906
ix. Miscellaneous Expenses	4,27,50,704	23,19,28,953
x. Stevedoring Expenses	0	0
xi. Port Health	0	0
xii. Advertisement and Publicity	32,62,126	62,75,144
xiii. Trustees' Fees	36,000	72,000
xiv. Entertainment	18,01,313	68,61,252
xv. Books and Periodicals	4,60,655	1,96,883
xvi. Legal and Professional Charges	4,61,01,133	3,93,26,432
xvii. Printing and Publishing	2,14,960	11,21,936
xviii. Deputation to Training Courses	1,31,800	11,76,542
xix. License Fees	4,50,185	31,53,595
xx. Telephones	61,72,283	60,84,657
xxi. Research and Development	3,15,07,734	3,80,26,136
xxii. Subscriptions	11,750	4,750
xxiii. Contributions	87,49,660	1,77,54,555
TOTAL (C)	25,81,10,575	46,43,00,001
D. FINANCE EXPENSES:		
1. INTEREST EXPENSES		
i. Bank Charges	2,07,180	3,31,056
ii. Interest on Government Loans	16,24,353	74,77,447
iii. Interest on Other Loans	1,94,58,613	0
	2,12,90,146	78,08,503

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(In Rupees)

	FOR THE PERIOD ENDING	
	31st MARCH 2021	31st MARCH 2020
2. PROPERTY TAX	58,69,63,268	55,78,10,339
TOTAL (D)	60,82,53,414	56,56,18,842
E. PROFIT OR LOSS IN RESPECT OF TRANSACTIONS OF KIND NOT USUALLY UNDERTAKEN BY PORT OR UNDER IN CIRCUMSTANCES OF AN EXCEPTIONAL OR NON - RETURNS, IF MATERIAL IN AMOUNT		
i. Bad Debts written off	42,887	0
ii. Provision for Drop in Pension payment	0	50,00,00,000
iii. Provision for Bad and Doubtful debts	0	0
iv. Loss on Disposal of Capital Assets	0	6,32,442
v. Stores Adjustments	0	0
vi. Provision for anticipated reduction in investment	0	0
vii. Prior Period expenses	2,46,83,306	22,64,20,155
vii. Expenses on Tax Appeals	22,000	1,000
vii. Contribution to Corporate Social Responsibility Fund	5,48,79,602	3,73,53,704
viii. Loss from external product price differences	22,75,993	69,86,860
ix. Miscellaneous Expdr	1,97,25,000	0
Coin Adjustment	0	18,403
TOTAL (E)	10,16,28,788	77,14,12,564
TOTAL EXPENDITURE	11,18,54,49,617	12,06,00,48,743

Sd/-
FA&CAO

ANNUAL ACCOUNTS 2020-2021

Significant Accounting Policies and Note on Accounts.**(A) ACCOUNTING POLICIES:**

1. The Books are maintained under Mercantile System of accounting. The fundamental Accounting assumption of Going concern and consistency is followed. Revenue is recognized on accrual basis and presented net of (service tax) / GST and rebates/incentives if any.

2. Fixed Capital Assets and Depreciation

All assets are capitalised at original cost

Assets with an expected life of less than 5 years and costing less than Rs.1,00,000/- are treated as revenue assets and charged to revenue expenditure as per the existing directives of the Government.

Depreciation is provided under straight line method.

Depreciation on assets put to use for less than 3 months are provided with nil depreciation and assets put to use for less than 6 months are provided with 50% depreciation and assets in use for more than 6 months are provided 100% depreciation as per the Government guidelines.

Fixed assets are excluded from the financial statements on disposal. The write off of assets are made, as per the provisions of Section 96 of the Major Port Trusts' Act 1963.

Fixed assets under construction are categorized as Capital works in progress.

Profit or loss on disposal of capital assets are being accounted under Finance & Miscellaneous Income & Finance & Miscellaneous expenditure respectively. Capital Profit arising on disposal, over the original acquisition cost is being transferred to Capital Reserve account.

3. Investments

The Investments for more than a year are classified as Long Term Investments and Investments for a year or less are treated as Current Investments. The Investments are carried in the books of accounts at cost. Provision for diminution in the market value of long term investments is made, if in the opinion of the Board such diminution of permanent in nature.

4. Valuation of Inventory

Inventory of stock items are valued at weighted average method.

5. Income

Revenue arising out of rendering of a service is recognised in proportion to the stage of completion of the service without waiting for its completion. Wharfage charges are leviable on goods entering docks as per notified scale of rates, even if they are not shipped. Accordingly the wharfage income is accounted for. Upfront fee collected on lease of Berths/ Facilities and premium on lease of lands are accounted for as advance income and are being amortized during the lease period as per Billimoria report.

6. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, constructions of assets and are capitalised till the date on which the asset is commissioned. Interest on loans after capitalisation is charged to Revenue on accrual basis.

7. Foreign Currency Transactions

Foreign currency transactions for import of spares and capital equipment are recorded at the exchange rate prevailing on the date of the transaction. Till date the Port does not have any loans in foreign currency for import of spares/capital equipment, nor has it entered into any foreign contracts. As and when such a situation arises, the policy will be framed keeping in view the relevant accounting standards.

Port revenues like vessel related charges etc., which are denominated in US\$, but collected in Indian Rupees using the buying rate notified by the State Bank of India or its subsidiaries or any other Public Sector Bank as on the date of entry of vessel into Port.

8. Taxes on Income

Provision for current tax is made in accordance with the provisions of Income tax act 1961. Pursuant to AS 22, timing differences mainly on account of depreciation and items covered under Sec. 43B of the Income Tax Act, 1961 resulting in Deferred Tax Assets and Liabilities have been recognised in the Accounts duly charging to Profit & Loss Account. Deferred Tax Assets are recognized and carried forward since there is a reasonable certainty of their realisation considering the past record and estimates of future profits.

9. Actuarial Valuation on annual basis is made by LIC/SBI for ascertaining the Pension, Gratuity and Leave Encashment liabilities.

B. NOTE ON ACCOUNTS

- As per Ministry of Shipping, approval vide letter No.SS-28036/18/2016-DCI-Part-VI dt 19.11.2018, VPT Board resolved Vide resolution no. 196/2018-19 dt 21.2.2019 to acquire 54,51,710 number of equity shares of DCI Ltd from Government of India at a cost of Rs. 278.04 crores and the same has been shown under Long Term Investments under Shares & Debentures at Schedule 2.2
- Capital Reserve includes Funds provided by the Government of India during 1933 to 1964 as initial Capital.
- An amount Rs. 7,31,000/- transferred to Capital reserve on account of Profit on disposal of capital assets during the year.
- Physical Verification of Fixed Assets is being done quinquennially as per the policy and procedure laid down in this regard. The committee constituted for Physical verification of fixed assets submitted report. Basing on the report, letters were issued to relevant departments for confirmation. On receipt of confirmation from departments, assets which are existing with Zero / one paisa value in books and as identified by committee were deleted from Assets master. Regarding other items for which value is existing in books, letters being issued to departments to verify once again and to submit details. On receipt of the same, suitable action will be taken.
- Physical verification of inventories has been carried out during 2020-21 and negligible discrepancies noticed are of insignificant amount.
- As per Ministry LR.NO. pgf-15/76 DT 22.9.1976, 3% reserve for Capital Assets replacement and 3% reserve for Development, Repayment of Loans & contingencies on capital employed is to be funded every year to extent of availability of cash.

Description	2020-21
Reserve for Replacement and Modernization of capital asset	64,70,39,414
Reserve for Development, Repayment of Loans & contingencies	64,70,39,414

7. An amount of Rs. 19.25 crores received as grant for construction of Cruise berth.

Any Grant amount is received, the amount is kept in a separate account in books and as and when the specific work is completed for which grant was received, liability is cancelled duly crediting the asset transferred to the asset account.

8. VPT as Local Authority U/S 10 (20) of the Income Tax Act 1961 was exempted from income tax liability up to Assessment Year 2002-03 (Financial year 2001-02). With the amendments in Finance Act 2002, exemption as "Local Authority" to Ports was withdrawn from Assessment year 2003-04 (Financial year 2002-03) onwards. Therefore, VPT is liable to pay income tax from the Assessment Year onwards 2003-04. VPT however applied for registration U/S 12 A of IT Act as charitable institution for claiming exemption from IT assessment. Registration certificate U/S 12AA was obtained vide order dated 20.3.2008 retrospectively from Assessment Year 2003-04 onwards. Consequently tax payments made for the assessment years 2003-04 to 2008-09 were refunded except a portion relating to TDS certificates. The details of Assessment Year-wise balance refunds due from IT Department are as below:

Assessment Year	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Refund due (Rs. in crore)	0.19	0.07	0.08	0.04	0.00	5.61

Above amounts are under persuasion with the IT Department for refund. For the Assessment Year 2008-09, IT Department refunded (1.4.2013) Rs.43.99 crore including interest Rs.16.85 crore and interest was credited to P&L Account of 2012-13. Rectification Petition U/S 154 of IT Act was filed for the assessment by IT Dept. for Assessment Year 2008-09 and is under pursuance including balance refund of Rs.5.61 crore.

Due to amendment to Section 2 (15) in the Finance Act, 2008, Ports were not eligible for exemption under section 11 of the IT Act from Assessment Year 2009-10 onwards and VPT was brought into income tax payee with effect from financial year 1 April 2008. The details of tax payments made/TDS claimed, provision made in VPT accounts, tax liability/net refunds claimed as per returns filed and present status of assessments for the Assessment Years 2009-10 to 2018-19 are as below:

(Rs. in crore)

Sl No	Particulars		Status of Assessments from time to time
1	Financial Year	2008-09	a) VPT while filing revised return in March 2010, claimed refund of tax of Rs.23.27 crore.
	Assessment Year	2009-10	b) After scrutiny and calling several queries, Assessing Officer in its initial assessment computed (December 2011) taxable income as Rs.176.21 crore with tax liability of Rs.70.32 crore and considering, taxes paid/TDS/interests/refunds, ordered net refund of Rs.6.68 crore to VPT.
	Advance Tax paid & TDS credit	77.72	
	Tax provision made in VPT accounts	67.24	
	Tax liability as per IT return filed by VPT	54.45	c) Aggrieved by this, Order was contested (30 Jan. 2012) before The Commissioner, IT (CIT)-Appeals, Visakhapatnam. The CIT(Appeals) commenced the hearing in February 2017 and the hearings are in progress.
	Refund claimed by VPT as per IT return	23.27	d) VPT filed petition U/s 154 of the IT Act(30.12.2016) for grant of short credit of TDS of Rs.0.72 Crs.

SI No	Particulars		Status of Assessments from time to time
2	Financial Year	2009-10	a. VPT while filing revised return in March 2012, claimed refund of tax of Rs.51.32 crore
	Assessment Year	2010-11	b. After scrutiny and calling several queries, Assessing Officer computed (Nov. 2012) taxable income as Rs.190.60 crore and arrived tax liability of Rs.58.90 crore. Considering taxes paid/TDS/interests/refunds, ordered VPT to pay balance net tax of Rs.37.02 crore. VPT contested before CIT-Appeals, Visakhapatnam who directed (Jan. 2013) the Assessing Officer to re-compute the taxable income.
	Advance Tax paid & TDS credit	76.41	c. Assessing Officer while re-assessing (27.5.14), revised the income as Rs.130.15 crore with tax liability of Rs.40.22 crore. Considering tax paid/TDS/interests/refunds, ordered for net refund Rs.26.42 crore to VPT.
	Tax provision made in VPT accounts	37.50	d. Subsequently, Asst. Commissioner of Income Tax (ACIT), Circle-1 Visakhapatnam revised (14 May 2015) the income as Rs.135.25 crore with tax liability of Rs.41.79 crore and ordered net refund of Rs.22.48 crore to VPT.
	Tax liability as per IT return filed by VPT	25.09	e. IT Dept. refunded (6 April 2016) balance amount Rs.7.54 crore after adjusting additional demand (Rs.14.93 crore) for Assessment year 2013-14.
	Refund claimed by VPT as per IT return	51.32	f. VPT filed petition U/s 154 of the IT Act(25.4.2016) to deduct an amount of Rs.0.89 Crs. from total income on account of Upfront amortization.
			g. VPT filed petition U/s 154 of the IT Act(3.1.2017) for grant of short credit of TDS of Rs.9.53 Crs.
			h. The CIT(Appeals) vide Order CIT(A), VSP No.0266/12-13/Addl.CIT/R-1/VSP/2013-14 dt.28.3.2014 has partly allowed the appeal for the order U/s 143(3) of the IT Act and VPT filed(13.6.2014) petition before ITAT, Visakhapatnam Bench and hearings are in progress.
			i. The CIT-1, Visakhapatnam has initiated revision of assessment U/s 263 of the IT Act(21.11.2013) directing the A.O. to consider for disallowance U/s 14A a sum of Rs.5.09 Crs and VPT has appealed the same before ITAT, Visakhapatnam Bench(27.1.2014) and hearings are in progress.
			j. While finalising (May 2015) assessments U/s 154 for the AY 2010-11 the IT Dept. Ordered tax refunds including net interest on tax refunds of Rs.4.71 Crs and the same has been recognised as interest income of 2015-16.
			k. IT Dept. has shown refund (16 June 2016) of Rs.0.37 Crs being the interest U/s 244A from 14.5.2015 to 31.3.2016 and refund received in June 2017 and the same has been recognised as interest income of 2017-18

SI No	Particulars		Status of Assessments from time to time
3	Financial Year	2010-11	a. VPT while filing return in Sept. 2011, claimed refund of tax of Rs.20.52 crore.
	Assessment Year	2011-12	b. After scrutiny and calling several queries, Assessing Officer in the initial assessment computed (Jan. 2013) taxable income as Rs.329.93 crore and arrived tax liability of Rs.101.95 crore. Considering, taxes paid/TDS/interests/refunds, ordered VPT to pay balance net tax of Rs.42.40 crore. VPT contested (25.2.13) before the Commissioner, IT (CIT) -Appeals, Visakhapatnam.
	Advance Tax paid & TDS credit	85.66	c. Subsequently, taxable income was revised (28.2.14) to Rs.338.44 crore with tax liability of Rs.104.58 crore. Considering tax paid/TDS/interests/refunds, ordered VPT to pay balance tax of Rs.5.09 crore. Aggrieved by this, VPT filed appeal before CIT (A) on 5.3.14.
	Tax provision made in VPT accounts	70.00	d. ACIT, Circle-1, Visakhapatnam vide order dt.14.5.15 under section 154, assessed taxable income as Rs.279.86 crore with tax liability of Rs.86.48 crore and considering tax paid/TDS/refunds/interests, net refund due to VPT was arrived at Rs.21.14 crore. Refund was finally revised to Rs.21.42 crore.
	Tax liability as per IT return filed by VPT	65.14	e. IT Dept. refunded (6 April 2016) balance amount Rs.7.43 crore after adjusting additional demand (Rs.13.99 crore) for Assessment year 2012-13.
	Refund claimed by VPT as per IT return	20.52	f. VPT filed petition U/s 154 of the IT Act(25.4.2016) to deduct an amount of Rs.1.35 Crs. from total income on account of Upfront amortization.
			g. VPT filed petition U/s 154 of the IT Act(20.1.2017) for grant of short credit of TDS of Rs.1.06 Crs.
			h. The CIT(Appeals) vide Order CIT(A), VSP No.0362/12-13/ACIT/C-1/VSP/2013-14 dt.28.3.2014 has partly allowed the appeal for the order U/s 143(3) of the IT Act and VPT filed(22.12.2014) petition before ITAT, Visakhapatnam Bench and hearings are in progress.
			i. The CIT-1, Visakhapatnam has initiated revision of assessment U/s 263 of the IT Act(21.11.2013) directing the A.O. to consider for disallowance U/s 14A a sum of Rs.8.51 Crs and VPT has appealed the same before ITAT, Visakhapatnam Bench and hearings are in progress.
			j. While finalising (May 2015) assessments U/s 154 for the AY 2011-12 the IT Dept. Ordered tax refunds including net interest on tax refunds of Rs.0.29 Crs and the same has been recognised as interest income of 2015-16.
			k. IT Dept. has shown refund (16 June 2016) of Rs.0.37 Crs being the interest U/s 244A from 14.5.2015 to 31.3.2016 and refund received in June 2017 and the same has been recognised as interest income of 2017-18.

SI No	Particulars		Status of Assessments from time to time
4	Financial Year	2011-12	a. VPT while filing return in Sept. 2012, claimed refund of tax of Rs.67.25 crore.
	Assessment Year	2012-13	b. After scrutiny and calling several queries, initial assessment was completed by the Assessing officer vide order dated 23.3.15 and computed taxable income as Rs.134.30 crore with tax liability of Rs.41.50 crore and considering tax paid/TDS/interests/refunds, Notice of demand was issued for net balance tax payable by VPT at Rs.0.75 crore.
	Advance Tax paid & TDS credit	81.37	c. Aggrieved by this, VPT filed (15.4.15) an appeal before CIT (Appeals).
	Tax provision made in VPT accounts	53.00	d. ACIT, Circle-1, by disallowing provision for Gratuity of Rs.30.17 crore, however, revised (25.6.15) the taxable income as Rs.164.47 crore with tax liability of Rs.50.82 crore plus interest demand of Rs.3.92 crore. Considering advance tax paid/TDS/interests/refunds, ordered VPT to pay balance net tax at Rs.13.99 crore. VPT appealed (16.7.15) before CIT (Appeals), Visakhapatnam. Appeal is pending settlement.
	Tax liability as per IT return filed by VPT	14.12	e. In the meanwhile, IT Dept. adjusted (6 April 2016) balance tax demand of Rs.13.99 crore and released Rs.7.43 crore to VPT out of refund ordered for Rs.21.42 crore for Assessment year 2011-12.
	Refund claimed by VPT as per IT return	67.25	f. For (c) above, the CIT(Appeals) in Appellate Order and Grounds of decision(30.3.2017) has partly allowed the appeal and VPT filed a petition with ITAT.
			g. For (d) above, the CIT(Appeals) in Appellate Order and Grounds of decision(13.3.2017) has dismissed the appeal and VPT filed a petition with ITAT.
			h. For (f) and (g) above the ITAT hearings are in progress.
			i. The ACIT vide letter dt.9.5.2017 on giving effect to the CIT(A)-1 order dt.30.3.2017 revised the total income from Rs.164.47 Crs to Rs.160.34 Crs and arrived at a refund of Rs.32.62 Crs which included the interest U/s244A of the IT Act of Rs.8.41 Crs.
			j. The refund of Rs.32.62 Crs was issued to VPT on 5.1.2018 and the interest U/s 244A for Rs.8.41 Crs. was recognised as interest income of 2017-18.
			k. For AY 2011-12, a consequential order dt.31.3.2016 was passed with a refund amount of Rs.21.42 Crs. Out of the total refund amount, an amount of Rs.13.99 Crs was adjusted for the outstanding demand for the AY 2012-13 and remaining amount was issued to VPT. Later while passing the consequential order dt.9.5.2017 for AY 2012-13, credit of Rs.13.99 Crs was not given to VPT.

SI No	Particulars	Status of Assessments from time to time												
		<p>l. The Dy.CIT, Circle-1(1), Visakhapatnam vide order U/s 154 of the IT Act dt.1.3.2019 refunded Rs.13.99 Crs along with interest U/s 244 A of Rs.1.54 Crs (total amount Rs.15.53 Crs) and adjusted the refund of Rs.15.53 Crs against the outstanding demand for the AY 2016-17(total demand of Rs.46.92 Crs).The interest U/s 244A for Rs.1.54 Crs. for AY 2012-13 was recognised as interest income of 2018-19.</p> <p>m. The ACIT, Circle-1(1), Visakhapatnam vide Visakhapatnam e proceedings DIN & Letter No ITBA/COM/F/17/2020-21/1030949719(1) dt.24.2.2021 passed rectification Order U/s 154 of the IT Act dt.8.2.2021 and refunded Rs.11.58 Crs along with interest U/s 244 of Rs.3.99 Crs((rectification order dt.15.12.2020) and Rs.0.076 Crs (February 2021). The interest U/s 244A for Rs.4.07 Crs was recognised as interest income of 2020-21.</p>												
5	<table><tr><td>Financial Year</td><td>2012-13</td></tr><tr><td>Assessment Year</td><td>2013-14</td></tr><tr><td>Advance Tax paid & TDS credit</td><td>82.69</td></tr><tr><td>Tax provision made in VPT accounts</td><td>15.00</td></tr><tr><td>Tax liability as per IT return filed by VPT</td><td>0.00</td></tr><tr><td>Refund claimed by VPT as per IT return</td><td>82.69</td></tr></table>	Financial Year	2012-13	Assessment Year	2013-14	Advance Tax paid & TDS credit	82.69	Tax provision made in VPT accounts	15.00	Tax liability as per IT return filed by VPT	0.00	Refund claimed by VPT as per IT return	82.69	<p>a. VPT assessed business loss of Rs.53.65 crore while filing return in Sept. 2013 and sought refund of Rs.69.48 crore. Revised return filed in March 2015 claiming refund of Rs.82.69 crore.</p> <p>b. After scrutiny and calling several queries, ACIT, Circle-1(1), Visakhapatnam in his initial assessment order on 31.3.2016, after disallowing Rs.356.64 crore, arrived business taxable income as Rs.302.98 crore duly deducting loss of Rs.53.65 crore as per return filed by VPT and assessed total tax liability of Rs.97.57 crore.</p> <p>c. After adjusting Rs.82.64 crore towards advance tax received and TDS claimed, balance tax of Rs.14.93 crore has been recovered, while processing (6 April 2016) refund order for Rs.22.48 crore for Assessment year 2010-11 and refunded balance Rs.7.54 crore.</p> <p>d. Aggrieved by this, VPT filed (18 April, 2016) before CIT(Appeals), Visakhapatnam. Appeal is pending with CIT(Appeals) and hearings have not commenced with CIT (Appeals).</p> <p>e. VPT filed petition U/s 154 of the IT Act(25.4.2016) to deduct an amount of Rs.3.53 Crs. from total income on account of Upfront amortization and also for granting the short credit of TDS for Rs.0.05 Crs.</p> <p>f. Against (d) above The CIT(Appeals) issued notice U/s 250 of the Act vide DIN No.ITBA,/NFAC/F/APL_1/2020-21/1029229691(1) for Appeal No. CtT (A), Visakhapatnam- 1/10059/2016-17 for Ay 2013-14 and VPT submitted submissions vide Lr dt.6.1.2021 for the Order passed U/s 143(3) of the IT Act.</p>
Financial Year	2012-13													
Assessment Year	2013-14													
Advance Tax paid & TDS credit	82.69													
Tax provision made in VPT accounts	15.00													
Tax liability as per IT return filed by VPT	0.00													
Refund claimed by VPT as per IT return	82.69													

SI No	Particulars		Status of Assessments from time to time
6	Financial Year	2013-14	<p>a. VPT assessed business loss of Rs.35.40 crore while filing revised return in March 2016 and claimed refund of tax of Rs.56.33 crore.</p> <p>b. After scrutiny and calling several queries, ACIT, Circle-1(1), Visakhapatnam in his initial assessment order on 31.12.2016, after disallowing Rs.169.49 crore, arrived business taxable income as Rs.134.09 crore duly deducting loss of Rs.35.40 crore as per return filed by VPT and assessed total tax liability of Rs.41.43 crore.</p> <p>c. After adjusting Rs.56.08 crore towards advance tax received and TDS claimed, Rs.14.64 crore along with interest U/s244A allowed and total refundable by the IT Department is Rs.17.06 Crores.</p> <p>d. The IT Department refunded(4.2.2017) an amount of Rs.17.06 Crs which included the interest of Rs.2.42 Crs U/s 244A of the IT Act and the same recognised as interest income of 2016-17.</p> <p>e. Aggrieved of the disallowances of Rs.169.49 Crore at (b) VPT e-filed petition(8.2.2017) petition before CIT (Appeals), Visakhapatnam. Appeal is still pending with CIT(Appeals). Hearings have not commenced on the CIT appeal.</p> <p>f. VPT filed petition U/s 154 of the IT Act(8.2.2017) for granting the short credit of TDS for Rs.0.25 Crores.</p> <p>g. VPT filed petition U/s 154 of the IT Act(2.3.2017) for granting the short credit of TDS for Rs.0.25 Crores and also for grant of interest U/s244A which was allowed upto 31.12.2016 only amounting to Rs.2.42 Crs. instead of payment of interest up to February 2017 being the date of receipt of refund.</p> <p>h. IT Department issued a notice U/s 154/155 of the IT Act for levy of Surcharge @10% i.e. Rs.4.82 Crs on the order U/s 143(3) passed on 31.12.2016.</p> <p>i. While issuing the refund for the AY 2015-16 of Rs.6.73 Crs the demand at (h) was adjusted and balance amount of Rs.1.90 Crs was refunded for the AY 2015-16.</p> <p>j. Against e above, The CIT(Appeals) issued notice U/s 250 of the Act vide DIN No. ITBA/NFAC/F/APL-1/2021-/1029329391(1) dated 29.12.2020 for Appeal No. CIT(A), Visakhapatnam- 1/10477/2016-17 for AY 2014-15 and VPT submitted submissions vide Lr. Dt.11.1.2021 against the Order passed U/s 143(3) of the IT Act.</p>
	Assessment Year	2014-15	
	Advance Tax paid & TDS credit	56.33	
	Tax provision made in VPT accounts	7.29	
	Tax liability as per IT return filed by VPT	0.00	
	Refund claimed by VPT as per IT return	56.33	

SI No	Particulars		Status of Assessments from time to time
7	Financial Year	2014-15	<p>VPT while filing return in March 2017, claimed refund of tax of Rs.48.11 crore. After scrutiny and calling several queries, ACIT, Circle-1(1), Visakhapatnam in his initial assessment order on 31.12.2017, after disallowing Rs.37.70 crores, arrived business taxable income as Rs.123.34 crore as per return filed by VPT and assessed total tax liability of Rs.41.92 crore. After adjusting Rs.5.00 crore towards advance tax received and TDS credit allowed Rs.42.70 crore along with interest U/s244A allowed and total refundable by the IT Department is Rs.6.73 Crores.</p> <p>a. The IT Department refunded(19.1.2018) an amount of Rs.6.73 Crs duly adjusting an amount of Rs.4.82 Crs towards demand for Assessment Year 2014-15 for non-levy of surcharge @ 10% while issuing the assessment order for AY 2014-15 and net refund of Rs1.90 Crs which included the interest of Rs.0.95 Crs U/s 244A of the IT Act.</p> <p>b. Aggrieved of the disallowances of Rs.37.70 Crores at (b) VPT e-filed petition(2.2.2018) petition before CIT (Appeals), Visakhapatnam. Appeal is still pending with CIT(Appeals). Hearings have not commenced on the CIT appeal.</p> <p>c. VPT filed petition U/s 154 of the IT Act(2.2.2018) for granting the short credit of TDS for Rs.0.41 Crores.</p> <p>d. On (b) above written submissions(9.1.2020) before the CIT(Appeals) for AY 2015-16 were filed in ITA No.10251/2017-18/AY 2015-16. The CIT (Appeals), vide ITA No.10251/2017-18/CIT(A)-1/VSP/2019-20 dt.22.9.2020 has partly allowed the appeal.</p> <p>e. On partly allowing the appeal for AY 2015-16, the ACIT, Circle-1(1) issued a consequential order dt.27.11.2020 and granted relief of Rs.3.88 Crs and issued refund of Rs.2.32 Crs including interest of Rs.1.54 Crs.</p> <p>f. The interest U/s 244A for Rs.1.54 Crs. for AY 2015-16 was recognized as interest income of 2020-21.</p> <p>g. The refund at (e) above of Rs.2.32 Crs for AY 2015-16 was adjusted against the demand for the AY 2017-18.</p> <p>h. VPT filed an appeal with ITAT on the Appellate Order and Grounds of Decision(21.9.2020) of CIT(Appeals) for AY 2015-16.</p>
	Assessment Year	2015-16	
	Advance Tax paid & TDS credit	48.11	
	Tax provision made in VPT accounts	25.18	
	Tax liability as per IT return filed by VPT	0.00	
	Refund claimed by VPT as per IT return	48.11	

SI No	Particulars		Status of Assessments from time to time
8	Financial Year	2015-16	a. VPT assessed business loss of Rs.11.41 crore while filing revised return in March 2018 and claimed refund of tax of Rs.47.01 crore.
	Assessment Year	2016-17	b. After scrutiny and calling several queries through online mode, ACIT, Circle-1(1), Visakhapatnam in his initial assessment order under section 143(3) dt. 25.12.2018 disallowing Rs.351.95 crores and arrived business taxable income as Rs.237.78 crores and arrived at aggregate Income tax liability of Rs.93.93 Crs.
	Advance Tax paid & TDS credit	47.01	c. After adjusting Rs.5.00 crore towards advance tax received and TDS credit allowed Rs.42.01 crore and total demand payable by VPT u/s 156 of the Act dt.25.12.2018 to the IT Department is Rs.46.92 Crores.
	Tax provision made in VPT accounts	0.00	d. Aggrieved of the disallowances of Rs.351.95 Crores at (b) VPT opined to file a petition before CIT(Appeals).
	Tax liability as per IT return filed by VPT	0.00	e. VPT e-filed an appeal before CIT(Appeals) dt.23.1.2019. Appeal is pending with CIT(Appeals). Written submissions have been submitted to the CIT(Appeals) vide our letter dt.9.1.2020 and 21.1.2020.
	Refund claimed by VPT as per IT return	47.01	f. The AO vide e proceedings issued penalty proceedings and issued a demand notice U/s 156 of the IT Act dt.25.12.2018 for payment of Rs.46.92 Crs.
			g. In order to file the appeal on stay of collection of the disputed demand of Rs.46.92 Crs against the demand notice U/s 156 of the IT Act, VPT has to pay Rs.9.38 Crs being 20% of the disputed demand for AY 2016-17 of Rs.46.92 Crs.
			h. For AY 2011-12, a consequential order dt.31.3.2016 was passed with a refund amount of Rs.21.42 Crs. Out of the total refund amount, an amount of Rs.13.99 Crs was adjusted for the outstanding demand for the AY 2012-13 and remaining amount was issued to VPT. Later while passing the consequential order dt.9.5.2017 for AY 2012-13, credit of Rs.13.99 Crs was not given to VPT.
			i. VPT vide its stay petition before the DCIT, Circle-1(1), Visakhapatnam on 24.1.2019 filed a stay petition for stay of collection of demand for the AY 2016-17 raised u/s 143(3) of the IT Act and requested the AO to adjust the 20% of the demand against the AY 2012-13 refund for credit of Rs.13.99 Crs along with interest U/s 244 A of the Act.
			j. The Dy.CIT, Circle-1(1), Visakhapatnam vide order U/s 154 of the IT Act dt.1.3.2019 refunded Rs.13.99 Crs along with interest U/s 244 A of Rs.1.54 Crs(total amount Rs.15.53 Crs) and adjusted the refund of Rs.15.53 Crs against the outstanding demand for the AY 2016-17(total demand Rs.46.92 Crs).

SI No	Particulars	Status of Assessments from time to time												
		<p>k. The Chief Commissioner of Income Tax-1, Visakhapatnam vide order on the application for stay of collection of disputed demand for AY 2016-17 vide order dt.18.3.2019 informed for payment of Rs.10.00 Crs on or before 22.3.2019 and directed the A.O. to keep the collection of balance of disputed demand in abeyance till the disposal of the 1st appeal by the CIT(A) or 31.12.2019 whichever is earlier on certain terms and conditions.</p> <p>l. VPT paid an amount of Rs.10.00 Crs on 20.3.2019 against the disputed demand of Rs.46.92 Crs. Total amount paid against the demand is Rs.25.53 Crs(Rs.15.53 at (h) above and Rs.10.00 Crs) and balance to be paid is Rs.21.39 Crores.</p> <p>m. VPT was issued a notice dt.31.1.2020 in e-proceedings by IT department for payment of Rs.21.39 Crores balance disputed demand payable by VPT and VPT has filed a petition dt.6.2.2020 requesting the Assessing Officer that rectification petitions for refund due to VPT are still pending for disposal by the department and on being allowed by the Department are more than the balance disputed demand made by the Assessing Officer for AY 2016-17.</p> <p>n. On (d) above written submissions(9.1.2020) before the CIT(Appeals) for AY 2016-17 were filed in ITA No.10269/2018-19 AY 2016-17. The CIT (Appeals), vide ITA No.10251/2017-18/CIT(A)-1/VSP/2019-20 dt.22.9.2020 has partly allowed the appeal.</p> <p>o. VPT filed a petition with the ACIT(19.11.2020) requesting for passing a consequential order giving effect to the order passed by the CIT(A)-1 for AY 2016-17.</p> <p>p. VPT filed an appeal with ITAT on the Appellate Order and Grounds of Decision (21.9.2020) of CIT(Appeals) for AY 2016-17.</p>												
9	<table><tr><td>Financial Year</td><td>2016-17</td></tr><tr><td>Assessment Year</td><td>2017-18</td></tr><tr><td>Advance Tax paid & TDS credit</td><td>56.13</td></tr><tr><td>Tax provision made in VPT accounts</td><td>13.09</td></tr><tr><td>Tax liability as per IT return filed by VPT</td><td>0.00</td></tr><tr><td>Refund claimed by VPT as per IT return</td><td>56.13</td></tr></table>	Financial Year	2016-17	Assessment Year	2017-18	Advance Tax paid & TDS credit	56.13	Tax provision made in VPT accounts	13.09	Tax liability as per IT return filed by VPT	0.00	Refund claimed by VPT as per IT return	56.13	<p>a. VPT while filing revised return in March 2019, claimed refund of tax of Rs.56.13 crore.</p> <p>b. Initial assessment has commenced and notice under section 143(2) has been issued vide e-proceedings dt.14.8.2018, 27.9.2018 and 27.9.2019 and notice under section 142(1) issued on 19.9.2019 and notice under section 143(3) Show cause issued on 29.11.2019, 18.12.2019, 21.12.2019.</p> <p>c. After scrutiny and calling several queries through online mode, ACIT, Circle-1(1), Visakhapatnam in his initial assessment order under section 143(3) dt.28.12.2019 disallowed Rs.169.83 crores and arrived business taxable income as Rs.169.83 crores and arrived at aggregate Income tax liability of Rs.59.65 Crs.</p>
Financial Year	2016-17													
Assessment Year	2017-18													
Advance Tax paid & TDS credit	56.13													
Tax provision made in VPT accounts	13.09													
Tax liability as per IT return filed by VPT	0.00													
Refund claimed by VPT as per IT return	56.13													

Sl No	Particulars	Status of Assessments from time to time
		<p>d. After adjusting TDS credit allowed Rs.56.12 crores and total demand payable by VPT is Rs.3.52 Crores.</p> <p>e. Demand notice dt.28.12.2019, U/s 156 of the IT Act was issued to VPT for payment of Rs.3.52 Crores and VPT vide its petition dt.7.1.2020 requested the Assessing Officer that VPT is filing an appeal before the CIT(Appeals) and stated that the amount of Rs.0.70 Crores being 20% of the disputed demand of Rs.3.52 Crs be adjusted against the refund receivable to VPT against the petition filed by VPT under section 154 of the IT Act for AY 2016-17.</p> <p>f. Aggrieved of the disallowances of Rs.3.52 Crores at (d) VPT opined to file a petition before CIT(Appeals).</p> <p>g. VPT e-filed an appeal before CIT(Appeals) dt.10.1.2020 Appeal is pending with CIT(Appeals). Hearings have not commenced on the CIT appeal.</p> <p>h. VPT was issued a notice dt.31.1.2020 in e-proceedings by IT department for payment of Rs.3.52 Crores demand payable by VPT and VPT has paid an amount of Rs.0.70 Crores dt.13.2.2020 as regular assessment tax being 20% of the disputed demand of Rs.3.52 Cr.</p> <p>i. as per (f) above the CIT(Appeals) issued notice U/s 250 of the Act vide DIN No. ITBA,/NFAC/F/APL_1/2020- 21/1029734733(1) dt.13.1.2021 for Appeal No. CtT (A), Visakhapatnam- 1/10413/2019-20 for Ay 2017-18 and VPT submitted submissions vide Lr dt.19.1.2021 for the Order passed U/s 143(3) of the IT Act. The CIT(Appeals) are in progress.</p> <p>j. The ACIT, Circle1(1), Visakhapatnam issued notice(12.3.2021) U/s 154 of the IT Act stating that the order U/s 143(3) passed on 28.12.2019 for AY 2017-18 requires to be amended.</p> <p>k. VPT vide reply dt.16.3.2021 requested to defer the rectification proposed U/s 154 of the Act till disposal of the appeals filed before CIT(Appeals) and ITAT.</p> <p>l. The refund of Rs.2.32 Crs for AY 2015-16 was adjusted against the demand for the AY 2017-18.(I) On (i) and (j) above, the Assessing Officer stating that a mistake in the Order passed U/s 143(3) dt.28.12.2019 of the IT Act and passed an order u/s 154 r.w.s 143(3) of the Act for AY 2017-18 disallowing the brought forward losses of Rs.51,97,27,909/-. The total income was considered at Rs.2,21,80,53,397/- and arrived at demand payable of Rs.26,73,90,440/-.The demand notice was sent to VPT Tax consultants for their advise/filing of appeal. The appeal with CIT(Appeals) on notice U/s 154 r.w.s.143(3) was filed on 21.10.2021.</p>

SI No	Particulars		Status of Assessments from time to time
10	Financial Year	2017-18	a. VPT while filing revised return in March 2019, claimed refund of tax of Rs.29.17 crores.
	Assessment Year	2018-19	b. Initial assessment has commenced and notice under section 143(2) has been issued vide e-proceedings dt.22.9.2019 and 29.9.2019.
	Advance Tax paid & TDS credit	56.46	c. Notices under e-proceedings U/s 142(1) are in progress.
	Tax provision made in VPT accounts	57.77	d. Gross Total Income as per return of income before set off of loss/ depreciation of VPT is Rs.172,28,55,086.
	Tax liability as per IT return filed by VPT	27.29	e. Finally the Assessment was completed by the A.O. U/s 143(3) vide e proceedings Order dt.24.9.2021, with disallowances of Rs.175,20,10,588/- bringing the Gross Total Income to Rs. 347,48,65,674/-. After deduction of claim U/s 80IA of the IT Act of Rs. 27,81,92,328 and arrived at the Total Income of Rs. 319,66,73,350/-.
	Refund claimed by VPT as per IT return	29.17	f. Aggrieved of the disallowances of Rs.175,20,10,588/-at (e) above and demand payable by VPT is Rs.77,46,42,657/- VPT is preferring an Appeal with CIT(Appeals) and the appeal with CIT is filed on 21.10.2021.
11	Financial Year	2018-19	a. VPT while filing revised return in March 2020, claimed refund of tax of Rs.41.85 crores.
	Assessment Year	2019-20	b. Initial assessment has not yet commenced.
	Advance Tax paid & TDS credit	65.35	
	Tax provision made in VPT accounts	36.26	
	Tax liability as per IT return filed by VPT	23.49	
	Refund claimed by VPT as per IT return	41.85	
12	Financial Year	2019-20	a. VPT while filing revised return in March 2021, claimed refund of tax of Rs.14.95 crores.
	Assessment Year	2020-21	b. Initial assessment has not yet commenced.
	Advance Tax paid & TDS credit	88.96	
	Tax provision made in VPT accounts	68.56	
	Tax liability as per IT return filed by VPT	74.00	
	Refund claimed by VPT as per IT return	14.95	
13	For the financial year 2020-21 (Assessment year 2021-22), advance tax paid Rs.27.81 Crores and TDS at credit as per Form 26As is of Rs.69.61 crores. Provision towards income tax provided is NIL. Tax Return will be filed as per time lines.		

9.	The following items constitute contingent liabilities.	(Rs.in crores)
a)	Law suits pending in Courts against Port Trust for claims	61.84
b)	Contingent liability on account of non payment of 75% amount as per NITI Ayog guidelines due to non-production of required Documents like BG and opening of Escrow account by PPP operator M/s AVR INFRA PRIVATE LIMITED	16.23
c)	Disputed Property Tax Claim for the years 86-87 to 98-99	27.98
	Total	<u>106.05</u>

*In addition to the above, M/s.SEW –vizag coal terminal filed a claim for Rs.1685.74 crores against termination of Concession agreement and VPT also filed a counter claim of Rs.2951.24 crores for revenue loss due to default in completion of EQ-1 against M/s.SEW –Vizag Coal Terminal Pvt Ltd.

10 Separate Trust accounts are maintained for Pension Fund, Gratuity Fund and Provident Fund. There is no separate trust for Group Leave encashment but separate fund is maintained for GLES. During the year 2020-21, payments for Leave encashment met from revenue.

11 Detailed statement of Actuarial liability, Provisions created / still to create and funds position there on is furnished herewith.

PENSION , GRATUITY AND GLES FUNDS POSITION AS ON 31.03.2021			
DETAILS	Pension fund trust	Gratuity fund trust	GLES
Funds to be provided as per Actuarial valuation	5405.82	255.10	109.33
Fund available to the end of 31.3.2020	3810.73	174.16	124.45
Investment made during the year 2020-21	534.36	21.00	0
Interest earned during the year 2020-21	281.78	12.64	8.72
Payments made from funds during 2020-21 *	Nil	27.03	NIL
Total investment made to the end of 31.3.2021	4626.87	180.77	133.17
(Shortfall) / Excess in fund	(778.95)	(74.33)	23.84

12. Shortfall in Pension Fund trust and Gratuity Fund trust will be made good in future basing on the availability of surplus funds.

13. Trial balance is generated from SAP and financial statements are prepared in excel, as P&L account and Balance sheet together with schedules are not available in SAP, as per the format prescribed by the Ministry (Billimoria Report)

14. Provision for PLR to officers and employees provided for Rs.4.70 Crores for 2020-21.

15. Claims accounted as income, but subsequently considered to be ineligible for receipt are treated in the books of accounts as expenditure on approval of the competent authority.

16. All sundry debtors are considered as good and hence no provision is made for bad debts .

17. Prior period income or expenses which arise in the current periods as a result of errors or omission in preparation of Financial statements of one or more prior periods are included under Finance and Miscellaneous Income or Expenditure.

18. As per the Ministry's guidelines vide Lr. No. 25021/1/2011-PD-II dt.02/12/2011, Corporate Social Responsibility fund of Rs 5.49 crores has been created during the year

19. Reconciliation of quantity balances of Stores Priced Ledgers with Bin Cards has been done and necessary adjustments were carried out wherever necessary.

20. Previous year's figures have been regrouped wherever necessary to confirm to the current year's classification.

21. Western Quay -6 (WQ-6) berth in the Northern Arm of Inner Harbor for handling dry bulk cargo was developed by M/s West Quay Multi Port Pvt. Limited (WQMPL) on DBFOT as per Concession Agreement (July 2010) valid for a period of 30 years. After operating the berth for three years ten months, concessionaire suspended operations in March 2019. The

concession agreement was terminated and port is operating the same. After obtaining the valuation report as per the concession agreement from the valuer and after receipt of orders from the judicial authorities all necessary adjustments will be passed as per the orders.

22. General disclosures as per Billimoria report.

Sl.No	Particulars	2020-21	2019-20	Remarks
1.	Fixed capital Assets retired from active use and awaiting disposal should be disclosed separately.	Nil	Nil	The assets were disposed as and when the same were deemed unfit and the sale proceedings are booked/charged to revenue in the respective years.
2.	Estimated amount of contracts remaining to be executed on capital account and not provided for as at the end of 31.03.2021 (Rs.in crores)	14.20	Nil	As per the policy of VPT to recognize revenue on accrual basis, estimated capital expenditure due to the end of March 2020-21 provided for as at the end of 31.3.2021
3.	Contingent liability not provided for due to disputes	Nil	Nil	In VPT, the contingent liability is provided for all the dispute/court cases. Hence, the same may be treated as Nil
4.	CIF value of Imports during the year:Stores and SparesCapital goods /spares(Rs.in crores)	0.75	0.90	
5.	Expenditure in foreign currency (Rs.in Crores)	0.75	0.90	
6.	Earnings in foreign exchange	Nil	Nil	
7.	Value of imported and indigenous stores and spare parts consumed during the financial year with %	Nil	Nil	
8.	Expenditure incurred on research, planning and developmental activities (Rs.in Crores)	3.15	3.80	
9.	Borrowing costs capitalized during the year	Nil	Nil	
10.	Foreign exchange gain/losses during the year	Nil	Nil	
11.	Total capacity of VPT (Million tonnes)	126.89	126.89	
12.	Actual number of vessels handled during the year	2040	2099	
13.	Tonnage handled during the year (Million tonnes)	69.84	72.72	
14.	Details of class-wise staff strength (operating) including CHD is :	CHD VPT CI I 2 120 CI II 1 89 CI III 33 1503 CI IV 537 676 TOTAL 573 2388	CHD VPT CI I 4 126 CI II 1 88 CI III 44 1583 CI IV 581 728 TOTAL 630 2525	

Sd/-
S.SHANTHI
FA&CAO, V.P.T

Sd/-
K.RAMA MOHANA RAO, IAS
CHAIRMAN, V.P.T



भारतीय लेखापरीक्षा और लेखा विभाग
महा निदेशक वाणिज्यिक लेखापरीक्षा एवं
पदेन सदस्य लेखापरीक्षा बोर्ड का कार्यालय, हैदराबाद

INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE DIRECTOR GENERAL OF
COMMERCIAL AUDIT AND EX-OFFICIO MEMBER,
AUDIT BOARD, HYDERABAD

No.: DGCA/A/cs Desk/VPT/2020-21/1.41/251

Date: 03.12.2021

To
The Secretary to Government of India,
Department of Ports Wings, Ministry of Shipping,
Parivahan Bhavan, No.1, Parliament Street,
New Delhi-110001


Sub: Separate Audit Report on the Accounts of the Visakhapatnam Port Trust,
Visakhapatnam for the year 2020-21

Sir,

I forward herewith a copy of the Separate Audit Report along with certified copy of accounts of the Visakhapatnam Port Trust, Visakhapatnam for the year 2020-21 for placing before the Parliament after approval of the Board and resolution passed to the effect for having adopted the above documents. The Separate Audit Report has been finalised after considering the replies furnished by the Board. A copy of the same has also been furnished to the Chairman, Visakhapatnam Port Trust, Visakhapatnam for information and necessary action.

Two copies of the printed Annual Report containing above documents as placed in the Parliament along with the dates of placement in the Parliament may please be furnished to this office.

Yours faithfully,


(M. S. Subrahmanyam)
Director General 03/12/2021

Separate Audit Report of the Comptroller & Auditor General of India on the Accounts of Visakhapatnam Port Trust, Visakhapatnam for the year ended 31 March 2021.

1. We have audited the attached Balance Sheet of Visakhapatnam Port Trust (VPT) as at 31 March 2021 and the Profit and Loss Account for the year ended 31 March 2021 under Section 19 (2) of the Comptroller & Auditor General's (Duties, Powers & Conditions of Service) Act, 1971 read with Section 102 of the Major Port Trusts Act, 1963. These financial statements are the responsibility of the Port's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. This Draft Separate Audit Report contains the comments of the Comptroller & Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards, disclosure norms etc. Audit observations on financial transactions with regard to compliance with the Laws, Rules & Regulations (Propriety and Regularity), efficiency-cum-performance aspects etc., if any, are reported through Inspection Reports/CAG's Audit Report separately.
3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidences supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
4. Based on our audit, we report that:
 - i) We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.
 - ii) The Balance sheet and Profit and Loss Account dealt with by this report have been drawn up in the format approved by the Ministry.
 - iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Visakhapatnam Port Trust, Visakhapatnam as required in so far as it appears from our examination of such books.
 - iv) We further report that:

A. Revision of accounts

Visakhapatnam Port Trust revised its annual accounts to give effect to some of the audit findings issued by this office. As a result,

- a) Profit Before Tax (PBT) decreased by ₹1.98 crore i.e., from PBT ₹407.28 crore to PBT of ₹405.30 crore and
- b) Profit After Tax (PAT) decreased by ₹1.98 crore i.e., from PAT of ₹240.62 crore to PAT of ₹238.64 crore.

B. Comments on Revised Accounts:

BALANCE SHEET

CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES

I. Provident, Pension & Gratuity Funds: ₹23.29 crore

1. As per the Actuarial Valuation Report submitted by LIC, the requirement of funds to meet the future obligations of Pension and Gratuity as on 31 March 2021 is ₹5660.92 crore. However, VPT apportioned an amount of ₹4807.64 crore to meet the above obligations till 31 March 2021 and invested the amount in Pension Fund Trust and Gratuity Fund Trust. This has resulted in short fall of ₹853.28 crore towards investment in Pension Fund Trust and Gratuity Fund Trust as on 31 March 2021.

This has resulted in understatement of Current Liabilities and Provisions and overstatement of profit by ₹853.28 crore.

Application of Funds

A. Fixed Capital Assets (Gross Block) (Schedule 2.1): ₹2702.50 Crore

2. The above was overstated by ₹4.87 crore due to adoption of life norm of two assets¹ aggregating to ₹12.59 crore between 0 and 75 years instead of 40 years. This has also resulted in understatement of Prior period expenses by ₹4.72 crore and Depreciation by ₹0.15 crore. Consequently, Profit before tax was overstated by ₹4.87 crore.

Investments: ₹519.47 Crore

Shares, Debentures, or Bonds (N.T): ₹29.40 Crore

3. It was observed from the Recast Annual Accounts for the year 2020-21 under Investments that the Share Certificates issued by the Visakhapatnam Port Road Company Limited (VPRCL), a SPV of NHAI, for ₹18.60 crore were erroneously shown as the NHAI Equity for ₹18.00 crore and ₹0.60 crore. Hence, the Investment schedule needs correction.

¹ i) Land based works at Lova garden and ii) General works at Lova garden.

Current Assets, Loans and Advances

A. Current Assets

Sundry Debtors: ₹364.16 Crore

4. Provision towards doubtful debts made till March 2014 was ₹7.31 crore. Subsequently, despite giving assurances year after year, VPT had not made further provision towards doubtful dues. Out of gross Sundry Debtors of ₹371.47 crore as at 31st March 2021, amount outstanding for more than five years was ₹127.81 crore (34.41 *percent*).

Similar comment was included in the Separate Audit Report for the year 2019-20. However, no corrective action was taken in the year 2020-21.

5. Estate Rentals receivable from M/s. Vizag Sea Port Pvt. Ltd. (₹8.45 crore) and M/s Visakha Container Terminal Pvt Ltd. (₹13.09 crore) for the years 2019-20 and 2020-21 amounting to ₹21.54 crore were not included in the books of accounts for the year ended 2020-21. On being pointed out by audit, during the recast of accounts, VPT recognised estate rentals receivable only for ₹5.44 crore instead of ₹21.54 crore. This has resulted in understatement of Sundry Debtors by ₹16.10 crore and income from Estate Rentals as well as Profit before tax by ₹16.10 crore.


C Management Letter

Deficiencies which have not been included in the Audit Report have been brought to the notice of the Chairman, Visakhapatnam Port Trust through a management letter issued separately for remedial/corrective action in 2021-22.

- i. Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
- ii. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with Accounting Policies and Notes on Accounts, and subject to the significant matters stated above and other matters mentioned in Annexure-I to this Audit Report, give a true and fair view in conformity with accounting principles generally accepted in India –
 - a. In so far as it relates to the Balance Sheet of the state of affairs of the Visakhapatnam Port Trust, Visakhapatnam as on 31 March 2021 and
 - b. In so far as it relates to Profit & Loss Account of the profit for the year ended on that date.

- iii. A Review of accounts showing the summarised financial results of the Visakhapatnam Port Trust for the last three years is given in Annexure-II.

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


03/12/2021

(M. S. Subrahmanyam)

**Director General of Commercial Audit
Hyderabad**

**Place: Hyderabad
Date: 03 December 2021**

Annexure-I

1. Adequacy of Internal Audit System

The Internal Audit of VPT was entrusted to outside agencies, viz., M/s RSM and Associates on 01-10-2019 for the period of two years. During the current year 2020-21, as per the terms of reference, the Internal Audit teams had submitted monthly Audit Reports to the FA&CAO/VPT for the period April 2020 to March 2021. Though the Internal Audit mandate provided for various checks including verification of draft Balance Sheet, Profit & Loss Account, Schedules and Notes forming part of Accounts, deficiencies still persist from the fact that C&AG Audit pointed out 64 Audit Findings (Including three Supplementary Audit Findings) during financial audit of Annual Accounts for the year 2020-21, out of which VPT management passed rectification entries for 44 Audit Findings. This indicates the need for further improvement and effectiveness of Internal Audit System.

2. Adequacy of Internal Control System

Internal controls of VPT are not adequate. Specific areas like need for strengthening/improvement of sundry debtors' management have been brought to the notice of the Chairman, VPT through a management letter issued separately for compliance. Some major issues are as follows:

- No efforts were made to adjust the opening balances of various ledger accounts which were accounted as cutover balances while migrating to SAP environment in 2012-13. These cutover balances prior to 2012-13 are being exhibited in the books in the year 2020-21 without any adjustment even after lapse of eight years.
- Age-wise analysis reveals that trade dues were outstanding from Government Parties since 1974-75 and from Private Parties since 1990-91 and the same indicates absence of concerted efforts for their timely realisation.
- All port users shall maintain a minimum balance of ₹25,000 in their revolving deposit accounts with VPT. Out of total 2428 deposit accounts, 1043 deposit account holders are not maintaining the requisite minimum balances. Further, deposit accounts of 553 port users show negative balance of ₹196.79 crore. This indicates inadequacy of monitoring mechanism.
- Appeals against Income Tax (IT) Assessment orders for the AY 2009-10 to 2019-20 have been pending before various appellate authorities of Income Tax. Management has to ensure appropriate efforts for speedy disposal of the appeals.

(Note: As per section 208 of IT Act, VPT pays Advance Tax and Tax Deduction at Source (TDS) (for which VPT gets credit as per Form 26 AS TDS Certificate issued by the customer) to Income Tax Authorities. To obtain the refund from IT Authorities from the

above advances, VPT files IT returns every year with applicable tax assessment. However, due to non-adjustment of amounts submitted by VPT in ITRs from 2009-10 to 2020-21, an amount of ₹817.60 crore was appearing as Current Asset and ₹452.50 crore as current liability and the same is inflating the current ratio of VPT.)

- The amounts collected from the debtors are not being adjusted against bill-wise oldest outstanding dues on first in first out basis. As a result, bill-wise dues along with amount collected from the party with negative balances are being continued to be exhibited. In the process, it is becoming difficult to identify the bills against which the dues are outstanding. This position requires an additional module or change in SAP environment to ensure that customer-wise collections from time to time are adjusted against customer-wise oldest outstanding dues sequentially.
- Provision for Doubtful Debts made from 2002-03 still exist in the books. This indicates that there was no proper follow up to write off this provision.

3. System of Physical verification of Fixed Assets

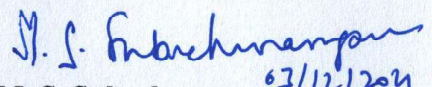
As per the policy and procedure of VPT, physical verification of fixed assets is to be done once in five years. Physical verification of fixed assets was conducted upto the end of 31 March 2013. Accordingly, physical verification due by 31 March 2018 was conducted in 2018-19 by a committee constituted for the purpose. The report has been sent to the concerned departments of VPT. The Physical Verification Report recommended for deletion of 788 assets, out of which 538 assets were deleted up to 31 March 2020 and reconciliation in respect of other assets is under progress. VPT has not deleted any asset during the year 2020-21.

4. System of Physical verification of inventory

As per the policy and procedures of VPT regarding conducting physical verification of Inventory of Stores and Materials regularly on annual basis, physical verification for the year 2020-21 has been completed.

5. Regularity in payment of statutory dues

The Port Trust has remitted the statutory payments to the respective authorities within the due dates.


(M. S. Subrahmanyam)
Director General

Annexure-II

This review of accounts has been prepared without taking into account the audit observations/comments included in the audit report of the Comptroller & Auditor General of India.

1. Introduction:

The financial audit of accounts of VPT has been conducted under Section 19 (2) of Comptroller & Auditor General's (Duties, Power and Conditions of Service) Act, 1971 read with Section 102 of Major Port Trusts Act, 1963.

2. Financial Position:

The financial position of VPT under broad headings as at the end of each of the last three years of 2020-21 was as follows:

(₹ in crore)				
	Description	2018-19	2019-20	2020-21
I.A	Liabilities			
	(i) Capital Reserves	962.94	962.98	1017.08
	(ii) Other Reserves	1340.43	1615.08	1855.64
	(iii) Borrowings	0.00	0.00	0.00
	(iv) Capital Debts	39.06	23.39	7.72
	(v) Grants Received	19.53	20.35	21.27
	(vi) Current liabilities & Provisions & other liabilities(PF/Pension, Gratuity Fund)	2205.74	2376.12	2021.13
	(vii) Deferred Tax Liability	0.00	0.00	12.10
	Total	4567.70	4997.92	4934.94
I.B	Assets			
	(i) Fixed Assets (Gross block)	2452.37	2689.37	2702.49
	(ii) Less: Depreciation	740.76	784.23	837.33
	(iii) Net Fixed Assets	1711.61	1905.14	1865.16
	(iv) Capital Works-in-Progress	350.21	175.94	237.54
	(v) Investments	513.51	508.98	519.47
	(vi) Current Assets loans and Advances	1874.94	2253.30	2312.77
	(vii) Miscellaneous Expenditure (DRE)	0.00	0.00	0.00
	(viii) Deferred Tax Asset	117.43	154.56	0.00
	Total	4567.70	4997.92	4934.94
C	Working Capital ²	-330.81	-122.82	291.64
D	Net Worth ³	2303.36	2578.06	2872.72
E	Capital Employed ⁴	1380.80	1782.33	2156.80
F	Percentage of Return on Capital employed ⁵	8.90	15.40	11.06
G	Capital employed (including work-in-progress)	1731.01	1958.27	2394.34
H	Percentage of Return on Capital Employed (including works-in progress)	7.10	14.01	9.97

² Working capital represents currents assets minus current liabilities.

³ Net worth represents capital reserves and other reserves plus accumulated surplus less accumulated deficit .

⁴ Capital Employed represents net fixed assets plus working capital .

⁵ Rate of return represents percentage of net surplus (before appropriations) to capital employed .

3. Summary of working results:

The working results of VPT for the year ended 31 March 2021 as compared to the last two years ended 31 March 2019 and 2020 were as follows:

		(₹ in crore)		
	Description	2018-19	2019-20	2020-21
II	Revenue			
A	Income			
	Operating Income	1201.39	1404.18	1445.69
	Non-operating Income	99.42	107.65	78.16
	Total	1300.81	1511.83	1523.85
B	Expenditure			
	Operating Expenditure	591.01	662.55	654.15
	Non-operating Expenditure	508.89	543.45	464.40
	Total	1099.90	1206.00	1118.55
C	Net Surplus/deficit or profit before tax and appropriations	200.91	305.83	405.30
	Less: Provision for taxation			
	Previous year	0.00	0.00	0.00
	Current year	36.27	68.55	0.00
	Fringe Benefit Tax	0.00	0.00	0.00
	Deferred Tax	40.13	-37.12	166.66
	Profit after tax	124.51	274.40	238.64
D	Less: Profit on disposal of fixed assets and transferred to Capital Reserve	1.60	0.04	0.07
E	Amount available for Appropriations	122.91	274.36	238.57
F	Less : Mandatory Appropriation / transfer to Reserve Fund (Net profit)	120.50	148.36	129.41
G	Surplus transferred to General Reserve Fund (Net profit)	2.41	126.00	109.16
H	Percentage of net profit after tax to			
I	Operating income	10.36	19.54	16.51
ii	Net fixed Assets	7.27	14.40	12.79
iii	Net worth	5.41	10.64	8.31

4. Ratio Analysis (liquidity & Solvency)

- Percentage of current assets to current liabilities increased from 94.83 in 2019-20 to 114.43 in 2020-21;
- Percentage of quick assets to current liabilities increased from 57.01 in 2019-20 to 66.42 in 2020-21;
- Percentage of liquid assets to current liabilities increased from 41.55 in 2019-20 to 48.40 in 2020-21;
- Percentage of sundry debtors to operating income decreased from 26.15 in 2019-20 to 25.19 in 2020-21;
- Debt/Capital Reserves & Other Reserves ratio decreased from 0.91 in 2019-20 to 0.27 in 2020-21;
- Percentage of Current assets to Total assets increased from 45.08 in 2019-20 to 46.87 in 2020-21;
- Percentage of Operating expenditure to Operating income decreased from 47.18 in 2019-20 to 45.25 in 2020-21.

M. S. Subrahmanyam
(M. S. Subrahmanyam) 03/12/2021
Director General

ACTION TAKEN NOTE ON COMMENTS OF CAG ON THE ACCOUNTS OF VPT

1.Current Liabilities- Other Liabilities I Provident, Pension & Gratuity Funds: ₹23.29 crore	
<p>As per the Actuarial Valuation Report submitted by LIC, the requirement of funds to meet the future obligations of Pension and Gratuity as on 31 March 2021 is ₹5660.92 crore. However, VPT apportioned an amount of ₹4807.64 Crore to meet the above obligations till 31 March 2021 and invested the amount in Pension Fund Trust and Gratuity Fund Trust. This has resulted in short fall of ₹853.28 crore towards investment in Pension Fund Trust, Gratuity Fund Trust as on 31 March 2021.</p>	<p>VPT will meet the shortfall of the Pension Fund in a phased manner. However, VPT is annually contributing as per the norms i.e 27% on Salaries expenditure to fund account.</p>
Application of Funds A. Fixed Capital Assets (Gross Block) (Schedule 2.1): ₹.2702.50 Crore	
<p>The above was overstated by ₹4.87 crore due to adoption of life norm of two assets aggregating to ₹12.59 crore between 0 and 75 years instead of 40 years. This has also resulted in understatement of Prior period expenses by ₹4.72 crore and Depreciation by ₹0.15 crore. Consequently, Profit before tax was overstated by ₹4.87 crore.</p> <p>i) Land based works at Lova garden and ii) General works at Lova garden.</p>	<p>VPT for the past 34 years has grouped the said works in Dock walls, piers, jetties and dry dock for which the life norms is 75 Years which have been audited. Hence by virtue of nomenclature in SAP merely as “Land based works and general works at Lova Garden” may not be possible to regroup the asset and reduce the life norms as pointed out by CAG and it may arise issues with other statutory authorities. The data in SAP was migrated during 2012 from legacy. Considering the above it is continued in the same manner which was done for the past 34 years.</p>
Investments: ₹519.47 Crore Shares, Debentures, or Bonds (N.T): ₹29.40 Crore	
<p>It was observed from the Recast Annual Accounts for the year 2020-21 under Investments that the Share Certificates issued by the Visakhapatnam Port Road Company Limited (VPRCL), a SPV of NHAI, for ₹18.60 crore were erroneously shown as the NHAI Equity for ₹18.00 crore and ₹0.60 crore. Hence, the Investment schedule needs correction.</p>	<p>Necessary rectification i.e., Share Certificates issued by the Visakhapatnam Port Road Company Limited (VPRCL) Under Investments will be made during 2021-22.</p>

<p>Current Assets, Loans and Advances</p> <p>A. Current Assets</p> <p>Sundry Debtors: ₹364.16 Crore</p> <p>Provision towards doubtful debts made till March 2014 was ₹7.31 crore. Subsequently, despite giving assurances year after year, VPT had not made further provision towards doubtful dues. Out of gross Sundry Debtors of ₹371.47 crore as at 31st March 2021, amount outstanding for more than five years was ₹127.81 crore (34.41 <i>percent</i>).</p> <p>Similar comment was included in the Separate Audit Report for the year 2019-20. However, However, no corrective action was taken in the year 2020-21.</p>	<p>Ministry is in the process of formulating uniform policy on provision for Sundry Debtors. On receipt of the same, VPT shall take action accordingly.</p>
<p>Estate Rentals receivable from M/s. Vizag Sea Port Pvt. Ltd. (₹8.45 crore) and M/s Visakha Container Terminal Pvt Ltd. (₹13.09 crore) for the years 2019-20 and 2020-21 amounting to ₹21.54 crore were not included in the books of accounts for the year ended 2020-21. On being pointed out by audit, during the recast of accounts, VPT recognised estate rentals receivable only for ₹5.44 crore instead of ₹21.54 crore. This has resulted in understatement of Sundry Debtors by ₹16.10 crore and income from Estate Rentals as well as Profit before tax by ₹16.10 crore.</p>	<p>Since the rates at which it is to be charged is disputed by the parties and Ministry has appointed a committee to arrive at a decision, the same shall be carried out as per the communication of the Ministry.</p>

Annexure-I

<p>1. Adequacy of Internal Audit System</p> <p>The Internal Audit of VPT was entrusted to outside agencies, viz., M/s RSM and Associates on 01-10-2019 for the period of two years. During the current year 2020-21, as per the terms of reference, the Internal Audit teams had submitted monthly Audit Reports to the FA&CAO/VPT for the period April 2020 to March 2021. Though the Internal Audit mandate provided for various checks including verification of draft Balance Sheet, Profit & Loss Account, Schedules and Notes forming part of Accounts, deficiencies still persist from the fact that C&AG Audit pointed out 64 Audit Findings (Including three Supplementary Audit Findings) during financial audit of Annual Accounts for the year 2020-21, out of which VPT management passed rectification entries for 44 Audit Findings. This indicates the need for further improvement and effectiveness of Internal Audit System.</p>	<p>Noted for compliance a fresh tender has been initiated with more broader coverage of audit areas.</p>
<p>2. Adequacy of Internal Control System</p>	
<p>No efforts were made to adjust the opening balances of various ledger accounts which were accounted as cutover balances while migrating to SAP environment in 2012-13. These cutover balances prior to 2012-13 are being exhibited in the books in the year 2020-21 without any adjustment even after lapse of eight years.</p>	<p>Some ledger accounts were cleared during 2020-21. Continuous efforts are being taken to clear all the ledger accounts during the financial year 2021-22. However as these balance are of old period for which it is taking a considerable time.</p>
<p>Age-wise analysis reveals that trade dues were outstanding from Government Parties since 1974-75 and from Private Parties since 1990-91 and the same indicates absence of concerted efforts for their timely realization.</p>	<p>VPT is following regularly with the parties and issued several notices, filed many suits and the same will be reviewed in a continuous manner.</p>
<p>All port users shall maintain a minimum balance of ₹25,000 in their revolving deposit accounts with VPT. Out of total 2428 deposit accounts, 1043 deposit account holders are not maintaining the requisite minimum balances. Further, deposit accounts of 553 port users show negative balance of ₹196.79 crore. This indicates inadequacy of monitoring mechanism.</p>	<p>Port is in the process of changing the accounting pattern similar to the other Ports and with updation of POS & SAP these issues shall be addressed.</p>
<p>Appeals against Income Tax (IT) Assessment orders for the AY 2009-10 to 2019-20 have been pending before various appellate authorities of Income Tax. Management has to ensure appropriate efforts for</p>	<p>Due to division of State of Andhra Pradesh into Telangana & Andhra Pradesh, the cases were not taken up since considerable year took to for</p>

speedy disposal of the appeals.	bench at IT Department. The same shall be speed up and port has appointed the CA firms exclusively to handle the direct tax issues & closing of appeals.
The amounts collected from the debtors are not being adjusted against bill-wise oldest outstanding dues on first in first out basis. As a result, bill-wise dues along with amount collected from the party with negative balances are being continued to be exhibited. In the process, it is becoming difficult to identify the bills against which the dues are outstanding. This position requires an additional module or change in SAP environment to ensure that customer-wise collections from time to time are adjusted against customer-wise oldest outstanding dues sequentially.	Port is in the process of changing the accounting method by service wise billing & stopping deposit adjustment which will be ensured in the new updated POS & SAP
Provision for Doubtful Debts made from 2002-03 still exists in the books. This indicates that there was no proper follow up to write off this provision.	The same will be reviewed during the financial year 2021-22
3. System of Physical verification of Fixed Assets As per the policy and procedure of VPT, physical verification of fixed assets is to be done once in five years. Physical verification of fixed assets was conducted upto the end of 31 March 2013. Accordingly, physical verification due by 31 March 2018 was conducted in 2018-19 by a committee constituted for the purpose. The report has been sent to the concerned departments of VPT. The Physical Verification Report recommended for deletion of 788 assets, out of which 538 assets were deleted up to 31 March 2020 and reconciliation in respect of other assets is under progress. VPT has not deleted any asset during the year 2020-21.	Noted for compliance The remaining asset adjustment in Fixed Assets is under progress. The next cycle of physical verification will commence on 2024-25.
4. System of Physical verification of inventory As per the policy and procedures of VPT regarding conducting physical verification of Inventory of Stores and Materials regularly on annual basis, physical verification for the year 2020-21 has been completed.	Factual
5. Regularity in payment of statutory dues The Port Trust has remitted the statutory payments to the respective authorities within the due dates.	Factual

Certificate

This is to certify that

**Visakhapatnam Port Trust
Visakhapatnam**

has been declared

WINNER

*for Outstanding Achievements
in Safety Excellence.*




Rema

Mrs. REMA
General Secretary

12th February 2021
Mahabalipuram (India)





Extension of existing Container Terminal (VCTPL-II) at outer harbor on PPP mode.
Expected commercial date of operation January 2022 (Capacity augmentation 0.54 MTEU's)



VISAKHAPATNAM PORT TRUST

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