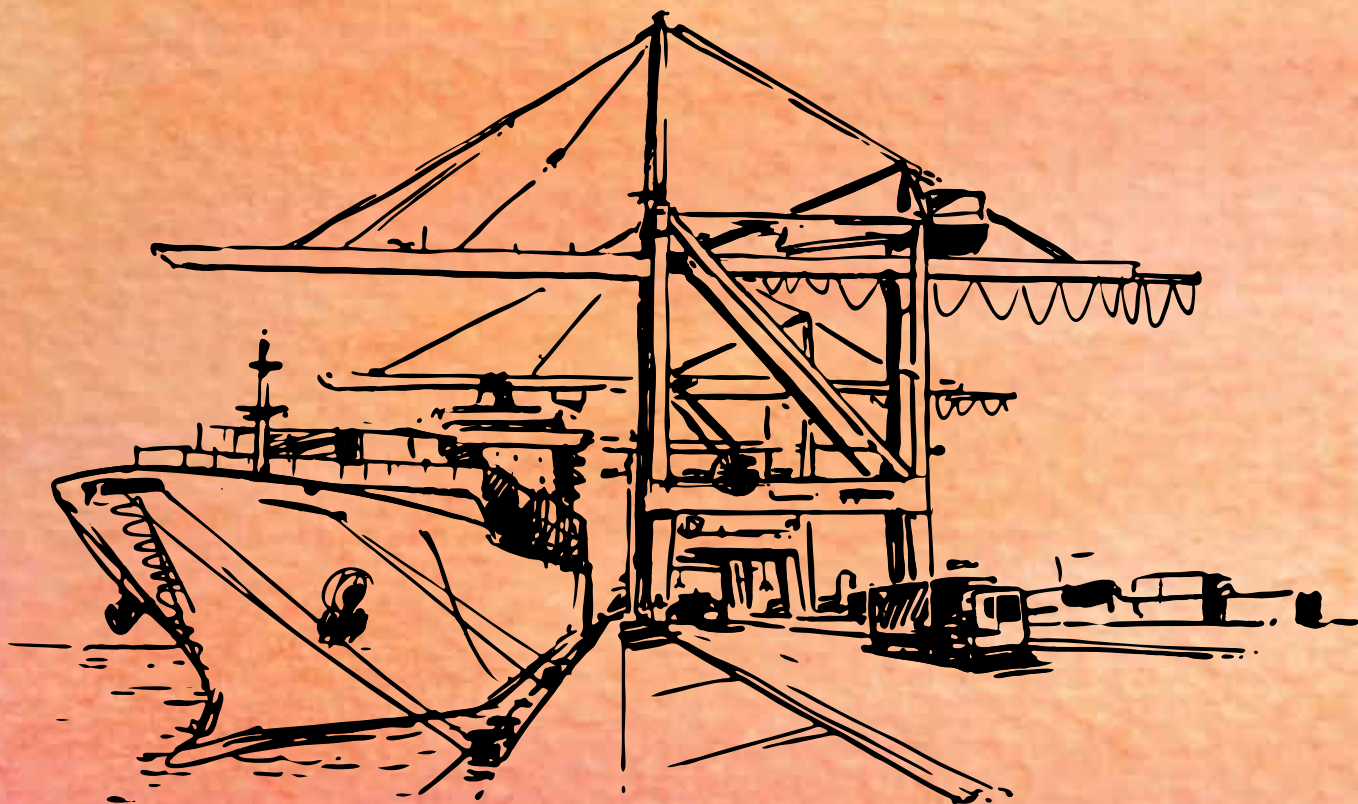


Investing in India's Logistics Excellence



OUR SOURCE OF INSPIRATION OUR PILLAR OF STRENGTH



Shri O.P. Jindal | 7th August 1930 - 31st March 2005
Founder and Visionary, O. P. Jindal Group

A visionary with impeccable business excellence,
who envisioned the dream of a self-reliant India.

His journey from humble beginnings to being amongst the
most successful self-made industrialists of his times.

A philanthropist and a social change maker,
will continue to be a source of inspiration for generations to come.

We are committed to keep his legacy alive and carrying it forward to newer heights.

The Government of India is focussed on developing world-class infrastructure for the country, and has undertaken several policy initiatives towards achieving this goal. The Ministry of Shipping has planned the Sagarmala project that will develop 10 coastal economic areas.

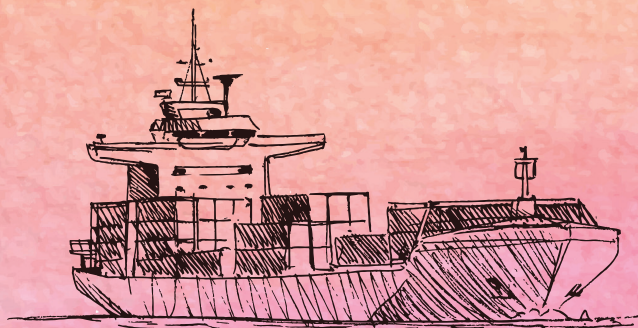
At JSW Infrastructure, we are aligned with the Government's objectives and welcome these policy changes and schemes. We believe these changes will bring new opportunities for growth to us as well as for the nation.

We have been consistently investing in India's logistics excellence with creating state-of-the-art infrastructure for the nation. This resulted in us receiving and servicing the largest dry bulk cargo ship, MV China Enterprise carrying over 2,00,000 MT of coking coal from Australia in FY17. Besides, we have invested in GSUs and tugs and made new installations in Dharamtar, Jaigarh and Goa ports. We also forayed into international waters in FY17 with commencement of an operations and maintenance (O&M) contract with the Government of Fujairah at their Fujairah Port.

We are consistently improving technology and excellence in execution at our ports, while undertaking capacity expansion. Additionally, we are aiming to leverage inorganic growth opportunities also to maintain our stance of being one of the leading players in the Indian Port industry by 2020.

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Highlights for FY 2016-17

Standalone

Gross Turnover 2,598 mn	Net Turnover 2,259 mn
EBITDA 1,872 mn	PBT 683 mn
PAT 565 mn	Cash Profit 1,286 mn

Consolidated

Cargo Throughput 36.84 mmt	Gross Turnover 10,210 mn
Net Turnover 8,878 mn	EBITDA 6,384 mn
PBT 3,956 mn	PAT 3,104 mn
Cash Profit 4,630 mn	

JSW Infra at a Glance

JSW Infrastructure is one of the leading private sector infrastructure companies in India. We are responsible towards the nation and are devoted to developing world class airports, shipyards, townships, roads and rail connectivity, inland waterways, water treatment plants, special economic zones and other infrastructural facilities.

Operating since 1999, our employee strength stands at 419 employees. Our proven record in operational efficiencies united with transparency, excellence and dynamism makes us one of the leading players in Indian ports industry.

Our port vertical operates environment-friendly seaports and terminals in Maharashtra and Goa that offer mechanised and multi-cargo handling facilities to the customers. It is connected by rail and road to the industrial environs of Maharashtra, Goa and Karnataka.

Our Vision

- Establish state-of-the-art infrastructural facilities in India
- Create port capacity of 200 million tonnes per annum through greenfield and brownfield expansions
- Ensure effectively mechanised operations
- Be the benchmark global company in the area of operations
- Be environment friendly
- Be socially sustainable

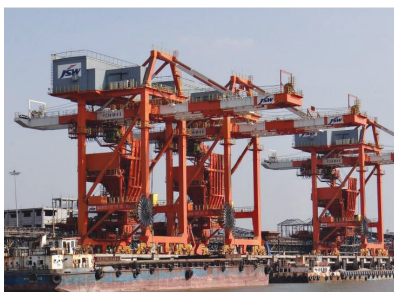




Jaigarh Port

Located strategically between the two major ports of Mumbai and Goa, Jaigarh Port is the first deep water private port in Maharashtra. It is well placed to cater to the export-import (EXIM) and coastal movement requirements of the industries in the country's

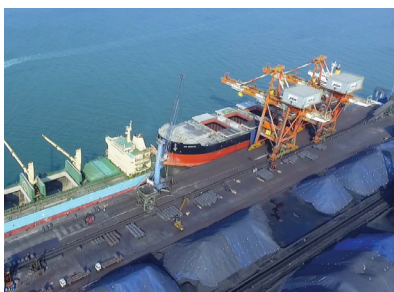
hinterland. This Greenfield multi-cargo port (20 meters deep) currently has a capacity of 40 MTPA. We are enhancing the capabilities to handle containers, ro-ro vessels, LNG, POL and offshore business by expanding the port's capacity to 80 MTPA.



Dharamtar Port

Located in Dolvi, in the Raigad district of Maharashtra, JSW Dharamtar Port is a five-berth riverine facility that handles bulk cargo. It is located at about 23 nautical miles from Mumbai Harbour and is in close proximity to Mumbai and Jawaharlal Nehru

Port (Nhava Sheva Harbours). Its ability to handle bulk and break-bulk cargo along with its strategic location makes it the ideal choice for incoming vessels. The port's annual capacity is 16 MTPA.



South West Port

Located close to Vasco Da Gama, Goa, South West Port Limited (SWPL) began operations in 2004 as a commercial terminal to provide vital logistics support to the JSW Steel plant at

Vijayanagar (Karnataka). SWPL operates two dedicated bulk cargo berths (5A & 6A) at Mormugoa Port trust on a build, own, operate, transfer (BOOT) basis. The total capacity is 14 MTPA.



Paradip Port

JSW Paradip Terminal Pvt. Ltd., is a 18 MTPA capacitated iron-ore terminal. It is being developed on build, own, operate and transfer (BOOT) basis. It would be equipped with wagon tipplers for rake handling and cargo receipt along with mechanised stacking and reclaiming systems.

Paradip Easy Quay Coal Terminal Pvt. Ltd. is also under the

developmental phase and will have an operational capacity of 30 MTPA. It is predominantly being developed for exporting / coastal movement of domestic coal from Mahanadi Coal Fields. Also, the facility would be equipped with rail receiving station for bottom discharge wagons, transporting, stacking and reclaiming of cargo and loading for exports / coastal movement.

Nandgaon Captive Jetty

Located 110 kms north of Mumbai, the proposed captive facility will have capability to handle bulk,

container, LNG, chemicals & other cargo. This port is primarily developed for the captive needs.

Chairman's Message



“We are implementing the coastal shipping strategy to strengthen India's ports, roads and railways. This being a greener solution adds to the much-needed capacity to India's rail and road network”

Economic review

India with its stable government, strong reforms, rising infrastructure spend and robust consumption demand is providing level playing field to this strategic industry. The trade remedial measures taken by the Government of India is reviving the investment cycle and creating employment opportunities.

India's long-term infrastructure appetite is enormous, but a large proportion of the demand is latent. The Government's continued focus on infrastructure creation, manufacturing and rural development is expected to bring accelerated momentum in

the investment cycle and huge infrastructure demand.

Further, the impending GST rollout is likely to boost economic growth as improvement in movement of goods between states, as well as strengthening of tax governance is expected. This is likely to augment the GDP growth rate to around 8%, consequently driving infrastructure demand on an overall basis.

The growth in logistics directly supports the Government's objective of 'Make in India'. There are many economic reforms taking shape in India as the focus is on the growth of manufacturing industries. Investments in

development of infrastructure at ports, freight corridors, national highways and better railway network plays a vital role for an economy's prosperity. Increased spending on the road sector is anticipated to trigger a multiplier growth effect on other industries too. Reserve Bank of India (RBI) in its recent monetary policy also affirms that the development of infrastructure, including ports, roads and railways are positive signs of economic revival.

The Ministry of Shipping has plans to develop 10 coastal economic regions as part of Sagarmala (string of ports) project plan. The zones would be converted into manufacturing hubs, supported by port modernisation projects, and would span across 300–500 km of the coastline. The Government is focused on developing the inland waterways as an alternative to road and rail routes, and is aiming to attract private investment in the sector. These waterways would be used for transporting goods to various ports. The Government has set an ambitious target to convert 101 rivers across the country into waterways to promote water transport and propel economic growth.

Our initiatives

We are implementing the coastal shipping strategy to strengthen India's ports, roads and railways. This being a greener solution adds to the much-needed capacity to India's rail and road network. We have several other exciting initiatives at various stages of development. This includes a globalisation strategy to expand our ports and operations and maintenance (O&M) specialities footprint.

We have plans to grow our business organically and inorganically. Additional investments have been committed for handling third party cargo, addressing connectivity issues

and growing the operations to accommodate large ships at the port.

Financial performance

We saw encouraging numbers during the financial year 2016-17. Our consolidated revenue increased by 26% during 2016-17, to ₹ 9,464 million. The operating expenses grew by 28% during the fiscal to ₹ 3,080 million due to corresponding increase in operations. The EBITDA rose by 25% to ₹ 6,384 million. The cash profit grew by 20% to ₹ 4,630 million in 2016-17 as against the ₹ 3,844 million in 2015-16.

Enhancing productivity

Jaigarh port has commenced the development of a 33.7 km new railway line to connect to new Digni station on Konkan Railway Network through PPP route. We have signed a MoU with the Konkan railway and Maharashtra Maritime Board to form a special purpose vehicle (SPV) called Jaigarh Digni Rail Limited. This will position Jaigarh port as an important and strategic logistic hub on the west coast of India.

Building on capacities

During the current fiscal, Jaigarh port completed construction of berth no. 3A and 3B which has a total length of 323 meters. The port is now undergoing a phased transformation and expanding from 40 MTPA to 80 MTPA. Jaigarh Port Ltd. (JPL) has also entered into a port service agreement and sub-concession agreement with H-Energy Gateway Private Limited for setting up a floating storage and regasification unit (FSRU) at the port.

Further, Dharamtar (Dolvi) port commenced its commercial operations to handle capacity of about 16 MTPA. The cargo includes handling of limestone pellets and lumps, dolomite, hot briquette iron, sponge iron, PCI coal, scrap, iron ore lumps, fines and pellets.

We have also secured the bid for redevelopment of the existing EQ 1, EQ 2 and EQ 3 terminals at Paradip port to handle coal exports. Following which Paradip Easy Quay Coal Terminal Private Limited, a SPV has been formed and the port is under construction. The total length of the berth is 686 meters having draft of 12 meters. The capacity of the terminal would be 30 MTPA.

Furthermore, we successfully marked our first presence in the international markets by entering into an agreement with Port of Fujairah (POF). This initiative is undertaken for operations & maintenance (O&M) and repair of entire bulk handling system of ship loaders and conveying system at Fujairah sea port for a five-year tenor and renewable at mutual consent. The terminal has a capacity of 15 MTPA which shall be augmented to 24 MTPA in the coming years.

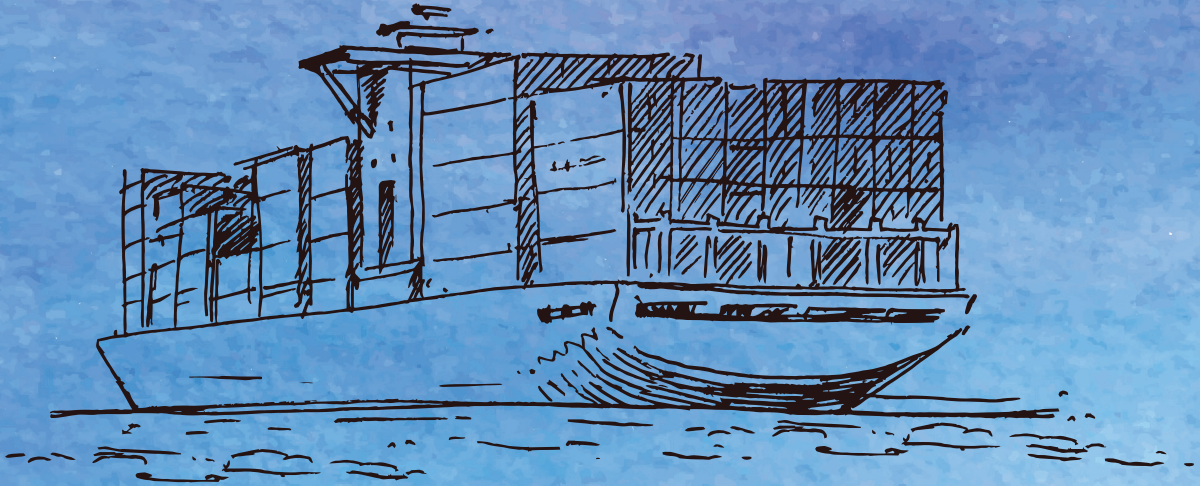
Outlook

At JSW Infrastructure, we view these developments positively and grasp these opportunities to leverage our potential and contribute to the nation's growth. We plan to build a capacity of 200 MTPA by 2020 and become one of the leading players in the Indian infrastructure sector.

On behalf of the Board and the entire JSW Infrastructure team, I would like to thank all the stakeholders, various government authorities and investors for their unstinted support. I am confident that under their continued guidance, we would make significant progress and become one of the leading players in the Indian port industry.

Warm regards,

Nirmal Kumar Jain
Chairman



Building

World-class Ports

Dedicating Jaigarh Port in the Service of the Nation

JSW Infrastructure's maritime jewel, JSW Jaigarh port is proud to receive and service the largest dry bulk cargo ship MV China Enterprise on March 25, 2017. It carried over 2,00,000 MT of coking coal from Australia alongside berths with its most modern, mechanised and environment-friendly material handling systems. Our purpose is to develop the best-in-class ports with advanced automated technologies.

PROUD TO DEDICATE JAIGARH PORT IN THE SERVICE OF THE NATION

On 25th March 2017, Our maritime jewel JSW Jaigarh Port* has received and serviced bulk cargo ship "MV China Enterprise" carrying over **2,00,000 MT** of coking coal from Australia at its modern mechanized berth using environment friendly material handling systems.

This is the largest dry bulk parcel ever serviced by an Indian port.

The port is poised to handle **4,00,000 MT** iron ore vessels (Valemax) and **3,40,000 MT** crude oil carrier (VLCC), LNG vessel (Q Max) alongside berth in the immediate next phase.

JSW is committed towards developing world class maritime infrastructure in India.



The day was marked with:

- Laying of Foundation Stone for the Jaigarh-Digni Railway Line
- Inauguration of a 42-km Enhanced Road Connectivity between Jaigarh Port & Nivali
- Inauguration of Mechanised Coastal Berth 6A

HEARTIEST THANKS TO OUR ESTEEMED GUESTS FOR GRACING THE OCCASION:



Shri Devendra Fadnavis
Hon'ble Chief Minister,
Maharashtra



Shri Nitin Gadkari
Hon'ble Minister of Road
Transport & Highways and
Shipping, GOI



Shri Suresh Prabhu
Hon'ble Minister
for Railways, GOI



Shri Anant Geete
Hon'ble Minister of Heavy Industries
& Public Enterprises, GOI



Shri Ravindra Chavan
Hon'ble Minister
for Ports, GOM



Shri Vinayak Raut
Member of Parliament
Rajnagiri - Sindhadurg



Shri Uday Samant
Member of Legislative Assembly,
Rajnagiri



Key developments during FY17:

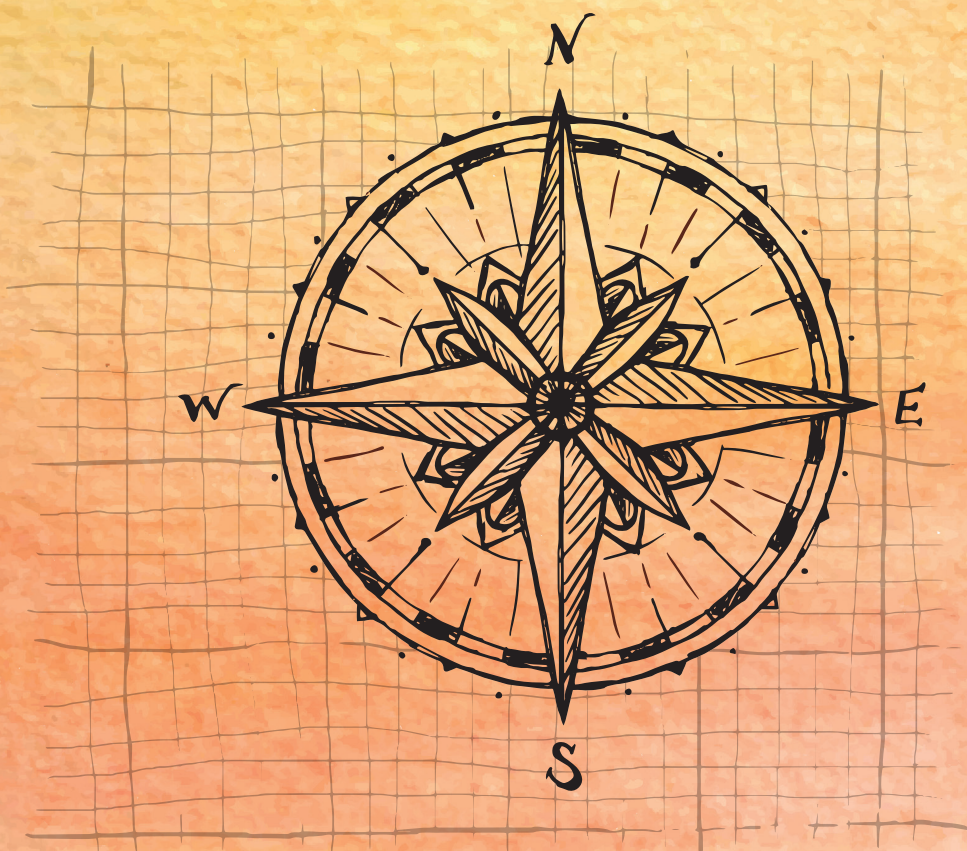
- Laying of foundation stone for the Jaigarh - Digni Railway Line
- Inauguration of a 42 km enhanced road connectivity between Jaigarh Port and Nivali
- Inauguration of a mechanised coastal berth 6A
- Installed high-class GSUs for increased capacity
- Bought three tugs to serve cape-size vessels



*Bhim, Bajrang and Balram
New Tugs to serve cape-size vessels*



*Significant Investments in new GSUs at Jaigarh, Goa
and Dharamtar Ports*



The East

Expansion

To unleash India's manufacturing prowess, adequate modern port infrastructure is desired to support the nation's logistics operations. With the momentous achievement of receiving India's largest dry bulk vessel, there is a need to continuously strive towards achieving even greater heights.

In line with our long-term vision to expand cargo-handling capacity of 200 MT by 2022, we are constructing an 18 MTPA capacitated iron-ore terminal at Paradip port in the eastern state of Odisha. This terminal is expected to be built by 2018. Further, another coal facility, Paradip Easy Quay Coal Terminal Pvt. Ltd. is in advancement stage for handling 30 million tonnes of coal annually. We expect this superior and well-equipped facility commencing operations by 2020.



Berth construction in progress



Wagon Tippler House construction in progress

Going Global



We made a strategic entry into the international waters of the Mediterranean region of UAE during FY17. We commenced an operations & maintenance (O&M) contract with the Government of Fujairah at their Fujairah Port. This is the first time we have set an international footprint.

JSW Terminal (Middle East) FZE, a group company of JSW Infrastructure Ltd. (JSWIL) is operating 2 berths - 5 and 6, in the port of Fujairah. The operations at the port is being handled efficiently by the JSW Terminal. For an accelerated cargo handling capacity, we are using environmental-friendly

material handling systems that will eventually decrease the turnaround time for vessels.

Consequently, the total cargo to be handled at the facility is expected to go up to 24 MTPA of bulk (consisting of aggregate and lime stone cargo) soon.



Signing agreement with Fujairah Port Authorities



Operations at Port Fujairah



Operations at Port Fujairah

Key Performance Indicators

Cargo Throughput

(MMT)

2016-17	36.84
2015-16	25.24
2014-15	25.06
2013-14	21.84
2012-13	19.33
2011-12	11.26

Revenue

(₹ in million)

2016-17	9,464
2015-16	7,393
2014-15	5,727
2013-14	5,122
2012-13	4,665
2011-12	3,179

EBITDA

(₹ in million)

2016-17	6,384
2015-16	5,113
2014-15	3,574
2013-14	3,161
2012-13	2,801
2011-12	1,943

Cash Profit

(₹ in million)

2016-17	4,630
2015-16	3,583
2014-15	2,389
2013-14	2,277
2012-13	2,132



Stacker cum reclaimer at Jaigarh Port

Board of Directors



Nirmal Kumar Jain
Chairman



Capt. BVJK Sharma
Jt. Managing Director & CEO



Ms. Tarini Jindal Handa
Director



Mr. K. N. Patel
Director



Mr. P. K. Kedia
Director



Mr. K. C. Jena
Director



Ms. Ameeta Chatterjee
Director



Mr. Arun Bongirwar
Director

Corporate Social Responsibility

At JSW Infrastructure, we believe education, health, and environment initiatives go a long way in maintaining an organisation's sustainability. We, thus, demonstrate environmental and social responsibility at every step.



Environment

The Jaigarh port along with BNHS is implementing a comprehensive livelihood programme to conserve the mangroves in the Ratnagiri coastal area. This project is of critical importance as this is the only area where the specific specie of mangrove (xylocarps) still survives. The project aims to increase the mangrove cover by 5,000 trees through promoting crab cultivation in the area.

Education

Early childhood education:

JSW Foundation has been prevailing in anganwadis to enhance the quality of early childhood education along with other services rendered at the centre. Currently, we have intervened in over 120 anganwadis. We have built and handed over to the government a 'Model Anganwadi Center - the first anganwadi cum crèche in the entire state of Goa'.

School drop-out prevention:

To address school drop-out issues, especially among girls, the Corporate Social Responsibility (CSR) programme at Nandgaon port ensures that there are no girl drop-outs before 10th standard. The programme focuses on providing financial assistance and counselling of the girls and their families. It also offers scholarships to help children continue their education.

Jindal Vidya Mandir:

Our Jindal Vidya Mandir in Jaigarh is providing quality education to both, the children of our employees and the community. The school is growing fast and is moving from the traditional pedagogy to newer participative methods where the child is the centre of all learning.

Health

Anaemia reduction:

Our Jaigarh port is on an aggressive mission to reduce the incidence of anaemia by 75% in the surrounding locations. We make interventions across all our locations for screening and supporting women with information and nutrition supplements to reduce the prevalence of anaemia.

PHC upgradation:

Promoting institutional delivery is a focus area for JSW Foundation. To increase the acceptability of government hospitals, we have been working closely with the Public Health Centres. Our aim is to upgrade the facilities to ensure good quality care.

Corporate Information

BOARD OF DIRECTORS

Mr. N K Jain

Chairman

Capt. BVJK Sharma

Jt. Managing Director & Ceo

Ms. Tarini Jindal Handa

Director

Mr. K N Patel

Director

Mr. P K Kedia

Director

Mr. K C Jena

Director

Mr. Arun Bongirwar

Director

Ms. Ameeta Chatterjee

Director

SR. V P AND CHIEF FINANCIAL OFFICER

Mr. Lalit Singhvi

COMPANY SECRETARY

Ms. Gazal Qureshi

STATUTORY AUDITORS

M/S. Shah Gupta & Co.

Chartered Accountants

BANKERS

Axis Bank Limited

REGISTERED OFFICE

JSW Centre

Bandra-Kurla Complex,

Bandra (East), Mumbai - 400 051

Tel : 022 4286 1000 Fax: 022 4286 3000

E-mail: infra.mumbai@jsw.in www.jsw.in

CIN: U45200MH2006PLC161268

REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Private Limited

Karvy Selenium, Tower- B, Plot No. 31 & 32.,

Financial District, Nanakramguda,

Serilingampally Mandal,

Hyderabad, 500032

Tel : 040-33211500, Fax : 040-23001153

DEBENTURE TRUSTEE

IDBI Trusteeship Services Ltd.

Asian Building, Ground Floor, 17,

R. Kamani Marg, Ballard Estate,

Mumbai 400 001

Tel: 022 - 4080 7000

Notice

Notice is hereby given that the **Eleventh Annual General Meeting** of the Shareholders of **JSW Infrastructure Limited** will be held on **August 1, 2017, Tuesday at 11.30 a.m** at **JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017 and Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint the Director in place of Mr. N K Jain (DIN: 00019442), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 140 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof and pursuant to the recommendation of the Audit Committee and the Board of Directors, M/s. HPVS & Associates, Chartered Accountants, Mumbai, Firm Registration No. 137533W, be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this 11th Annual General Meeting till the conclusion of the 16th Annual General Meeting of the Company (subject to ratification of their appointment by Members at every intervening Annual General Meeting) at such remuneration as shall be fixed by the Board of Directors of the Company.”

By order of the Board of Directors
For **JSW Infrastructure Limited**.

Place : Mumbai
Dated : July 01, 2017

Gazal Qureshi
Company Secretary

Registered Office:

JSW Centre,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

NOTES:

1. A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY.
2. Shareholders / Proxies should bring their attendance slip duly filled in for attending the meeting.
3. Copies of Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies to the meeting.
4. Corporate members are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members who hold Shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
7. The instrument(s) appointing the Proxy, if any, shall be deposited at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the Meeting and in default, the instrument of Proxy shall be treated as invalid. Proxies shall not have any right to speak at the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, be issued by the Shareholder organization.
8. Shareholders are requested to intimate the Company at its registered office, immediately of any change in their mailing address or email address in respect of equity shares held.
9. Shareholders desirous of having any information regarding Accounts are requested to address

their queries to the Chief Financial Officer at the Registered Office of the Company at least seven days before the date of the Annual general Meeting, so that the requisite information can be made available at the Annual General Meeting.

10. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days if the Company, during office hours, upto the date of the Annual General Meeting.
11. Members desirous of having any information regarding Accounts of the Company are requested to address their queries to the CFO–Accounts at the Company's Registered Office at JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai 400051 or e-mail the queries to infra.mumbai@jsw.in with "Query on Accounts" in the subject line, atleast 7 days before the date of the meeting, so that requisite information is made available at the meeting.
12. Item No. 3 of the Notice- Appointment of Statutory Auditor.

As per Section 139 and the rules made thereunder, any Audit Firm which has been functioning as an Auditor in the same company for 10 years or more, can be re-appointed only for period of 3 consecutive years. Furthermore, the said section states that a company shall appoint an individual or firm as an auditor who shall hold office for a term of five consecutive years.

Your Company had appointed M/s. Shah Gupta & Co., Chartered Accountants (Firm Registration No.: 109574W), as Statutory Auditors of the Company for the Financial Year ended 2016-17 to hold office until the conclusion of the this Annual General Meeting (AGM).

M/s. Shah Gupta & Co., Chartered Accountants, have completed their term and tenure as envisaged in Section 139 of the Act making them ineligible for appointment as Statutory Auditors. Further, as per the Section 139 (1) of the Act, the Statutory Auditors shall hold office from the conclusion of this 11th Annual General Meeting till the conclusion of its 6th Annual

General Meeting thereafter. Such appointment shall be placed before the Members for ratification at every intervening Annual General Meeting.

The Audit Committee and the Board of Directors of Company at its meeting held on 15th May, 2017 have recommended to the Members the appointment of M/s. HPVS & Associates, Chartered Accountants, Mumbai, as the Statutory Auditors of the Company for a period of 5 years from the conclusion of this 11th Annual General Meeting till the conclusion of the 16th Annual General Meeting. The Company has received a certificate under Section 141(3) of the Act read with Rule 10 of the Companies (Audit and Auditors) Rules, 2014 from M/s. HPVS & Associates, Chartered Accountants, Mumbai, confirming their eligibility to be appointed as the Auditors of the Company and that they are free from any disqualifications and that they do not violate the limits as specified under the Act.

Consent of the Members is sought for the appointment of M/s. HPVS & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a period of 5 years, from the conclusion of this 11th Annual General Meeting till the conclusion of the 16th Annual General Meeting at a remuneration to be determined by the Board of Directors.

None of the Directors/Managers/Key Managerial Personnel or relatives of any of the Directors/Managers/ Key Managerial Personnel of your Company are in any way concerned or interested in the resolution set out in the Item no. 3.

Your Directors recommend the resolution set out in Item no. 3 for your approval.

By order of the Board of Directors
For **JSW Infrastructure Limited**

Place : Mumbai
Dated : July 01, 2017

Gazal Qureshi
Company Secretary

Registered Office:

JSW Centre,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Directors' Report

To the Members of JSW INFRASTRUCTURE LIMITED,

Your Directors take pleasure in presenting the Eleventh Annual Report of the Company, together with the Standalone and Consolidated Audited Financial Statement for the year ended March 31, 2017.

1. Financial summary or highlights/Performance of the Company

a) Financial Results

(₹ Million)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Revenue from Operations	2,259	2,925	8,878	7,201
Other Income	211	157	586	315
Total Revenue	2,470	3,082	9,464	7,516
Profit before Interest, Depreciation and Tax Expenses (EBIDTA)	1,872	2,533	6,384	5,114
Finance costs	467	617	902	866
Depreciation & amortization expenses	721	788	1,526	1,503
Profit before Tax (PBT)	683	1,127	3,956	2,745
Tax expenses	118	160	852	406
Profit after Tax [net of minority interest ₹ 168 (P.Y. ₹ 123)]	565	967	2,936	2,216
Profit brought forward from previous year	1,508	540	9,683	7,465
Other Comprehensive Income	(0.15)	0.46	(0.71)	1.94
Balance Carried to Balance Sheet	2,073	1,508	12,618	9,683
Cash Profit	1,286	1,755	4,630	3,842

b) Performance highlights Standalone

- The operating revenue and other income of your Company for fiscal 2017 is ₹ 2,470 Million as against ₹ 3,082 Million for fiscal 2016.
- The EBIDTA of your Company for fiscal 2017 is ₹ 1872 as against ₹ 2533 Million in fiscal 2016.
- Profit after tax for the year 2017 is ₹ 565 Million as against ₹ 967 Million in the year 2016.
- The net worth of your Company increased to ₹ 7,403 Million at the end of fiscal 2017 from ₹ 6,648 Million at the end of fiscal 2016.

Consolidated

- The consolidated operating revenue and other income of your Company for the fiscal 2017 were at ₹ 9,464 Million as against ₹ 7,516 Million for fiscal 2016.
- The consolidated EBIDTA for fiscal 2017 is ₹ 6,384 Million as against ₹ 5,114 Million in fiscal 2016.

- The Consolidated Profit after tax for the year 2017 is ₹ 2,936 Million as against ₹ 2,216 Million in the year 2016.
- The Consolidated net worth of your Company increased to ₹ 20,113 Million at the end of fiscal 2017 from ₹ 16,819 Million at the end of fiscal 2016.

2. Operations

The Company continues to be engaged in port development and operations including cargo handling services. The Company is operating ports at Jaigarh, Dharamtar and terminal at Goa and Fujairah.

During the year the Company has completed expansion of cargo handling capacities at Jaigarh, Dharamtar and Goa. At Jaigarh two Ship Unloaders of 3250 TPH each, 2 Stackercum-Reclaimers of 6500 (9750 TPH with 3 SULs) / 5000 TPH each and 4 Barge Unloaders of 2500 TPH each and receiving conveyors from

Berth 3A and Berth 1, stacking conveyors and shipping conveyors connecting to Berth 6A are commissioned during FY 2017. With this the installed handling capacity of the Port went up to 40 MTPA from 15 MTPA. The construction of Berth 4A and LNG Berth have also started.

At Goa two Ship Unloaders of 2000 TPH capacity each are commissioned and Stacker-cum Reclaimers were modified. With this the bulk handling capacity at Berth 6A of the Port went up to 14 MTPA.

At Dharamtar construction of the 619 m long berth is completed on which 300 m berth is mechanized. The company has installed three Barge Unloaders of 2500 TPH each and connecting conveyors from Berth to Steel Plant's Cross Country conveyors. The installed capacity become 16 MTPA for 300 m berth and once the remaining berth of 319 m is mechanized with addition of 2 more Barge Unloaders, the Port will have capacity of 30 MTPA.

For Paradip Iron Ore Terminal, contracts of long lead equipment and civil package have been awarded and civil work at site has started. For other packages, the ordering is in progress. The terminal is scheduled to complete by March 31, 2019 with a capacity of 18 MTPA iron ore handling.

For Paradip East Quay Coal Terminal also, contracts of long lead equipment have been awarded and tender for other packages are in progress. The terminal is scheduled to complete by March 2019. The terminal will have cargo loading capacity of 30 MTPA Coal.

During the year Jaigarh Digni Rail Limited has completed the final location survey. Tendering process for major packages and is ready for awarding major contracts in first quarter of FY 2016-17. Konkan Railway Corporation, the JV partner has initiated land acquisition for the project under Railway Act.

During the year the Company has taken over the port operations of Dry Bulk handling of Fujairah Port at Fujairah, M.E. under the SPV Company JSW Terminal (Middle East) FZE. The operation was taken over from February 1, 2017 and handled 2.62 MT till March 31, 2017. The terminal will have operating capacity of more than 24 MTPA.

The Company is exploring various opportunities for setting up new greenfield port terminals on both east and west coasts of India, other strategic

locations of Middle East / Africa and undertakes various studies for evaluating such projects.

During the year, the Company had rendered cargo handling services at Jaigarh, Goa, Dharamtar and Fujairah and has handled 36.84 Million tonnes cargo as against 25.43 million tonnes (Fujairah was not in operation) in previous year.

3. Transfer to Reserves

The Company proposes to transfer NIL amount to the General Reserve and a profit of ₹ 565 Million is transferred to the Surplus in the statement of profit and loss.

4. Dividend

Your Directors have deemed it prudent not to recommend any dividend on equity shares for the year ended March 31, 2017, in order to conserve the resources for future growth.

5. Change in Capital Structure

a) Share Capital

The equity share capital of the Company stands unchanged at ₹ 568.5 Million (March 31, 2016: ₹ 568.5 Million).

The paid up equity share capital of the Company is 5,68,47,632 equity shares of ₹ 10 (Rupees Ten only) each.

During the year under review, your Company has not issued any:

- a. shares with differential rights
- b. further issue of shares
- c. sweat equity shares
- d. preference shares

6. JSWIL Employee Stock Option 2011

The Company has introduced Employee Stock Option Plan 2011 ("Plan") through the Trust route. The said issue of shares under the Plan read with Section 81(1A) of the Companies Act, 1956 was approved by the shareholders in the Extra Ordinary General Meeting of the Company held on February 29, 2012. The Plan has been implemented through JSW Infrastructure Employees Welfare Trust (Trust).

The employees of the Company have exercised 2084 stock options during the period under review and the above shares were transferred from the Trust to the employees who have exercised their options, details of which is attached as **Annexure A**.

The Plan will facilitate grant of options through ESOP Committee and /or Trust to the employees of the Company, its Managing and Whole Time Directors including the employees and Managing/ Whole Time Directors of its subsidiary companies.

7. JSWIL Employee Stock Ownership Plan 2016

The Company has introduced JSWIL Employee Stock Ownership Plan 2016 ("Plan") through the Trust route. The said issue of shares under the Plan pursuant to Sections 2(37), 62(1)(b) and 197(7) of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 was approved by the shareholders in the Extra Ordinary General Meeting of the Company held on March 28, 2016. The Plan has been implemented through JSW Infrastructure Employees Welfare Trust (Trust).

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

The Plan will facilitate grant of options through ESOP Committee and /or Trust to the permanent employees of the Company from Manager (L11) and above grade working in India, its Managing and Whole Time Directors including the employees and Managing/Whole Time Directors of its subsidiary companies.

8. Finance

Your Company had outstanding borrowings of long term debt of ₹ 1,440 Million at the beginning of the year from the Axis Bank. Term Loans outstanding as on March 31, 2017 are ₹ 1,008 Million.

During the fiscal year 2013-14, the Company had issued Rated, Listed, Secured, Redeemable, Non-Convertible Debentures 4000 no. 11.90% Listed, Rated, Secured, Non-Convertible Debentures (NCDs) of ₹ 10,00,000 each aggregating to ₹ 4000 Million. The NCDs are listed on the Bombay Stock Exchange. Redemption of the NCDs commenced from October, 2014, outstanding value of NCDs as on March 31, 2017 is ₹ 2,184 Million.

9. Report on Performance of Subsidiaries, Associates and Joint Venture Companies

The performance and financial position of each of the subsidiaries, associates and joint venture

companies for the year ended March 31, 2017 is attached as **Annexure B** in the prescribed format AOC-1 and forms part of the Board's report. The details of performance, financial position of each of the subsidiaries is appended below.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries will also be available for inspection during business hours at the registered office of your Company.

10. Subsidiary Companies

JSW Jaigarh Port Limited (JSWJPL)

JSWJPL was incorporated for the purpose of developing a greenfield port at Jaigarh, Maharashtra. JSWJPL has operational capacity of 40 MTPA with 5 berths. After the completion of current expansion plan, the Port will have 60 MTPA capacity. JSWJPL has handled 9.83 Million MT of dry bulk and liquid cargo during the year. The authorised share capital of the JSWJPL is ₹ 10,000 Million and paid up capital is ₹ 4005 Million as on March 31, 2017, entire paid up share capital is held by your Company.

South West Port Limited (SWPL)

SWPL is engaged in the business of providing Port Services, it operates two multi-purpose cargo handling berths under a License Agreement with Mormugao Port Trust, Goa. During the year, SWPL has handled 11.77 Million MT of bulk and break bulk cargo. SWPL is a step down subsidiary of your Company, holding 74% of the paid up capital through our subsidiaries in SWPL.

JSW Dharamtar Port Private Limited (JSW DPPL)

JSW DPPL was incorporated for the purpose of handling bulk cargo for operating and maintaining the Dharamtar jetty at Dharamtar, Maharashtra. During the year, JSW DPPL has handled 10.04 Million MT of bulk cargo. JSW DPPL has undertaken the expansion project to expand its capacity upto 34 Million MT per annum. DPPL has authorised capital of ₹ 500 Million as on March 31, 2017 and paid up share capital of ₹ 150.1 Million. Your Company holds 100% of the paid up share capital of the JSW DPPL.

JSW Nandgaon Port Private Limited (JSW NPPL)

JSW NPPL is developing a multi-cargo port at Nandgaon, Maharashtra. The port construction

is in conceptualization and designing stage. The authorised share capital of JSW NPPL is ₹ 500 Million and paid up capital ₹ 363.7 Million as on March 31, 2017. Your Company holds 100% of the paid up share capital of JSW NPPL.

JSW Jaigarh Infrastructure Development Private Limited (JIDPL)

JIDPL has been incorporated to develop further infrastructure for facilitating cargo movement at JSW Jaigarh Port including cargo operations, logistics support and specialized storage facilities beyond the Port premises. The authorised and paid up share capital of JIDPL is ₹ 10 Million. Your Company holds 100% of paid up share capital of JIDPL.

JSW Shipyard Private Limited (JSW SPL)

JSW SPL is developing a shipyard facility in Dhabol, Maharashtra. JSW SPL has executed the Lease Deed with Maharashtra Maritime Board and has submitted the detailed project report. The authorised share capital of JSW SPL is ₹ 20 Million and paid up share capital is ₹ 8.1 Million. Your Company holds 100% of the paid up capital of JSW SPL.

Dhamankhol Fintrade Private Limited (DFPL)

DFPL is engaged in the business of providing Management & Consultancy Services. The authorised and paid up share capital of DFPL is ₹ 0.5 Million. Your Company holds 100% of the paid up share capital of DFPL.

Nalwa Fintrade Private Limited (NFPL)

NFPL is engaged in the business of providing Management & Consultancy Services. The authorised and paid up share capital of NFPL is ₹ 0.5 Million. Your Company holds 100% of the paid up share capital of NFPL.

Vanity Fintrade Private Limited (VFPL)

VFPL is engaged in the business of providing Management & Consultancy Services. The authorised and paid up share capital of VFPL is ₹ 0.5 Million. Your Company holds 100% of the paid up share capital of VFPL.

JSW Paradip Terminal Private Limited (JSW Paradip)

JSW Paradip Terminal Private Limited was incorporated for the purpose of taking up the implementation of Iron Ore Export Terminal at Paradip, Orissa. The Project is being developed on Build Operate Transfer (BOT) basis and is under construction. The authorised share capital of JSW Paradip is ₹ 250 Million and paid up share capital is ₹ 0.1 Million. Your Company holds 74%

of the paid up share capital of JSW Paradip and 26% of the paid up share capital is held by South West Port Limited.

Masad Marine Services Private Limited (MMSPL)

MMSPL is a step down subsidiary of your Company. The Company is engaged in development of port at Masad Village, Maharashtra. The authorised share capital of MMSPL is ₹ 1.5 Million and paid up share capital of is ₹ 0.1 Million. Your Company's subsidiary, JSW Dharamtar Port Private Limited holds 100% of the paid up share capital of MMSPL.

JSW Terminal (Mormugao) Private Limited (JSW Terminal)

JSW Terminal is a step down subsidiary of your Company and was incorporated for the development of Berth – 4 at Mormugao Port Trust, but subsequently the project was shelved. JSW Terminal may take part in any upcoming project at Mormugao Port Trust. The authorised and paid-up Equity Capital of the company is ₹ 0.1 million. JSW Jaigarh Port Limited holds 100% of the paid up share capital of JSW Terminal.

Jaigarh Digni Rail Limited (JDRL)

JDRL is a step down subsidiary of your Company. The Company will be engage in developing rail connectivity between Jaigarh Port and Konkan Railway route at Digni. The authorised share capital of JDRL is ₹ 1000 Million and paid up share capital is ₹ 400.5 Million. Your Company's subsidiary, JSW Jaigarh Port Limited holds 63% of the paid up share capital of JDRL.

JSW Salav Port Private Limited (JSW Salav)

JSW Salav is engaged in development of port at Salav, Maharashtra. The authorised and paid up share capital of JSW Salav is ₹ 0.1 Million. Your Company holds 100% of the paid up share capital of JSW Salav.

Details of companies which have become subsidiary, associates and joint ventures, during the year under review, are as under:

Paradip East Quay Coal Terminal Limited (Paradip EQ)

Paradip East Quay Coal Terminal Private Limited (Paradip EQ) was incorporated on April 19, 2016 for the purpose of development of mechanized Coal Terminal berth handling thermal coal exports and coastal movement at Paradip, Orissa. The authorised and paid up share capital of Paradip EQ is ₹ 0.1 Million.

JSW Terminal (Middle East) FZE

JSW Terminal (Middle East) FZE was incorporated on December 5, 2016 at Fujairah Free Zone, UAE for the purpose of Port operations of Dry bulk terminal at Fujairah Port. The authorized and paid up capital of the company is ₹ 2.65 Million (AED 150,000). Your Company holds 100% of the paid up share capital of JSW Terminal (Middle East) FZE.

11. Deposits

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the details relating to deposits as also requirement for furnishing of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

12. Material Changes and Commitments

In terms of Section 134(3)(l) of the Companies Act, 2013, except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

13. Significant and Material Orders Passed by Regulators or Courts or Tribunal

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

14. Internal Financial Controls

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

15. Particulars of Loans, Guarantees, Investments and Securities

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement.

16. Particulars of Contracts or Arrangement with Related Parties

All contracts / arrangements / transactions entered by the Company during the financial year

with related parties were in the ordinary course of business and on an arm's length basis and hence provisions of Section 188 of the Companies Act, 2013 are not applicable.

All related party transactions which are in the ordinary course of business and on arm's length basis, of repetitive nature and proposed to be entered during the financial year are placed before the Audit Committee and the Board for prior approval at the commencement of the financial year and also annexed to this report as **Annexure C** in Form AOC-2.

The details of transactions / contracts / arrangements entered by the Company with related parties are set out in the Notes to the Financial Statements.

17. Disclosure Under Section 67(3) of The Companies Act, 2013

The special resolution was passed pursuant to the provisions of Section 67(3) of the Companies Act, 2013 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 at the Extra-ordinary General Meeting held on March 28, 2016 wherein approval was sought for the provision of money by the Company for purchase of its own shares by the Trust/Trustees for the benefit of eligible employees under the "JSWIL Employees Stock Ownership Plan - 2016" and information as required pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished in **Annexure A**.

18. Credit Rating

CARE has reaffirmed "CARE A+" (Single A Plus) rating and CRISIL has rated "CRISIL A+" to the Non-Convertible Debentures issued by the Company and to the long term loan facilities of the Company.

19. Awards

During the year, your Company had received the Time Ascent and World HRD congress Talent Management Award.

20. Directors and Key Managerial Personnel

During the year under review, Ms. Tarini Jindal Handa (DIN: 00506432) was appointed as a Director of the Company on July 22, 2016 by the members of the Company.

The Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed.

None of the Managerial Personnel except Capt. BVJK Sharma (DIN: 00017758), Jt. Managing Director & CEO who is in receipt of remuneration from the South West Port Limited, subsidiary of the Company where he is holding the position of President.

Mr Arun Bongirwar was appointed as Independent Director at the 9th Annual General Meeting (AGM) for a period of 2 years i.e. till the ensuing 11th Annual General Meeting in the year 2017. His term expires at the ensuing AGM.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. N K Jain (DIN: 00019442) retires by rotation at the ensuing AGM and being eligible offers himself for reappointment.

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

21. Disclosures related to Board, Committees and Policies

a) Board Meetings

The Board of Directors comprised of the following members:

Name of the Director	Designation
Mr. N K Jain	Non-Executive Director
Capt. BVJK Sharma	Jt. Managing Director & CEO
Mr. K N Patel	Non-Executive Director
Mr. P K Kedia	Non-Executive Director
Ms. Tarini Jindal Handa	Non-Executive Director
Mr. K C Jena	Independent Director
Ms. Ameeta Chatterjee	Independent Director
Mr. Arun Bongirwar	Independent Director

The Board of Directors met five times during the financial year ended March 31, 2017 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The dates on which the Board of Directors met during the financial year under review are as under:

Sr. No.	Date of Board Meeting
1.	April 28, 2016
2.	July 22, 2016
3.	November 15, 2016
4.	January 18, 2017
5.	March 30, 2017

b) Committees and Policies

1. Audit Committee

The composition of the Audit Committee is in conformity with the provisions of the Section 177 of the Companies Act, 2013. The Audit Committee comprises of:

The Audit Committee is comprised of three members as follows:

Name	Designation
Ms. Ameeta Chatterjee	Chairman
Mr. N K Jain	Member
Mr. K C Jena	Member

The Audit Committee met four times during the financial year ended March 31, 2017 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The dates on which the Audit Committee met during the financial year under review are as under:

Sr. No.	Date of Audit Committee Meeting
1.	April 28, 2016
2.	July 22, 2016
3.	November 15, 2016
4.	January 17, 2017

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

2. Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee is in conformity with the provisions of the Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of:

Name	Designation
Mr. K C Jena	Chairman
Mr. N K Jain	Member
Ms. Ameeta Chatterjee	Member

The Nomination and Remuneration Committee met one time during the financial year ended March 31, 2017 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The dates on which the Nomination and Remuneration Committee met during the financial year under review are as under:

Sr. No.	Date of NRC Meeting
1.	March 30, 2017

Your Company has devised the Nomination Policy for the appointment of persons to serve as Directors on the Board of your Company and for the appointment of Key Managerial Personnel (KMP) of the Company, who have the capacity and ability to lead the Company towards achieving sustainable development.

Your Company has also devised a Policy for Performance Evaluation of Independent Directors, Board, Committees and other Individual Directors which includes criteria for Performance Evaluation of the Non-Executive Directors and Executive Directors. On the basis of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

The NRC Policy of the Company is available on the Company's website and can be accessed at link <http://www.jsw.in/infrastructure/jsw-ports>

3. Corporate Social Responsibility Committee

As per the Companies Act, 2013, all Companies having net worth of ₹ 500 crore or more, or turnover ₹ 1,000 crore or more or a net profit of ₹ 5 or more during the financial year are required spend 2% of the average net profit of their three immediately preceding financial years on CSR related activities. Accordingly, the Company was required to spend

₹ 11.9 million towards CSR activities. Your Company has successfully spent ₹ 11.9 million towards the CSR activities for FY 2016-2017.

The Corporate Social Responsibility Committee is comprised of three members as follows:

Name	Designation
Mr. K C Jena	Chairman
Mr. N K Jain	Member
Ms. Ameeta Chatterjee	Member

The Corporate Social Responsibility Committee met three times during the financial year ended March 31, 2017 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The dates on which the Corporate Social Responsibility Committee met during the financial year under review are as under:

Sr. No.	Date of CSR Meeting
1.	April 28, 2016
2.	November 14, 2016
3.	March 30, 2017

The CSR Policy of the Company is available on the Company's web-site and can be accessed at link <http://www.jsw.in/infrastructure/jsw-ports>

The Annual Report on CSR activities is annexed herewith marked as **Annexure D**.

4. Whistle Blower Policy (Vigil Mechanism) for the Directors and Employees

The Board has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Whistle Blower Policy and Vigil Mechanism" ("the Policy").

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism,

honesty, integrity and ethical behaviour.

This Policy has been framed with a view to interalia provide a mechanism interalia enabling stakeholders, including Directors, individual employees of the Company and their representative bodies, to freely communicate their concerns about illegal or unethical practices and to report genuine concerns or grievance as also to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

Capt. BVJK Sharma, Jt. Managing Director and CEO is designated as the Ethics Counsellor.

The Whistle Blower Policy and Vigil Mechanism may be accessed on the Company's website at the link <http://www.jsw.in/infrastructure/jsw-ports>

5. Risk Management Policy

The Board of Directors of the Company has designed a Risk Management Policy.

The policy aims to ensure for Resilience for sustainable growth and sound corporate governance by having an identified process of risk identification and management in compliance with the provisions of the Companies Act, 2013.

Your Company follows the Committee of Sponsoring Organisations (COSO) framework of Enterprise Risk Management (ERM) to identify, classify, communicate, respond to risks and opportunities based on probability, frequency, impact, exposure and resultant vulnerability and ensure Resilience such that -

- a) Intended risks, like for investments, are taken prudently so as to manage exposure which can withstand risks affecting investments and remain resilient.
- b) Unintended risks related to performance, operations, compliances and systems are

managed through direction setting vision/ mission, prudent capital structuring, funds allocation commensurate with risks and opportunities, code of conduct, competency building, policies, processes, supervisory controls, audit reviews etc.

- c) Knowable unknown risks in fast changing Volatile, Uncertain, Complex and Ambiguous (VUCA) conditions are managed through timely sensitisation of market trends.
- d) Adequate provision is made for not knowable unknown risks.
- e) Overall risk exposure of present and future risks remains within Risk capacity as may be perceived by the management.

All risks including investment risks be reviewed in the Board of Directors' meeting and risks related to operations, compliances and systems be reviewed in detail in the Audit Committee.

22. Annual Evaluation of Directors, Committee and Board

During the year, the Board has carried out the annual evaluation of its own performance as well as the evaluation of the working of its Committees and individual Directors, including Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for Board, Committee and individual Directors.

The questionnaire for Board evaluation was prepared taking into consideration various aspects of the Board's functioning such as understanding of Board members of their roles and responsibilities, time devoted by the Board to Company's long term strategic issues, quality and transparency of Board discussions, quality, quantity and timeliness of the information flow between Board members and management, Board's effectiveness in disseminating information to shareholders and in representing shareholder interests, Board information on industry trends and regulatory developments and discharge of fiduciary duties by the Board.

Committee performance was evaluated on the basis of their effectiveness in carrying out respective mandates.

The performance evaluation of the Non-Independent Directors, the Board as a whole and Chairman of the Company was carried out by the Independent Directors at a separate meeting of the Independent Directors.

23. Internal Control Systems

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

24. Directors' Responsibility Statement

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (a) that in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- (c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the directors had prepared the annual accounts for the year under review, on a 'going concern' basis;
- (e) that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

- (f) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. Auditors and Auditors Reports

a. Statutory Auditors

The observations made by the Statutory Auditors in their report for the financial year ended March 31, 2016 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark.

M/s. Shah Gupta & Co., Chartered Accountants, the Auditors of the Company were appointed at the 10th AGM for a term of one year till the conclusion of 11th AGM.

In view of the mandatory requirement for rotation of auditors upon completion of 10 years of association with a company, in terms of Section 139 of the Companies Act, 2013, M/s. Shah Gupta & Co., Chartered Accountants will retire as Company's Auditors at the conclusion of the ensuing 11th AGM. It is proposed to appoint M/s. HPVS & Associates, Chartered Accountants as the new Statutory Auditors of the Company. M/s. HPVS & Associates are proposed to be appointed for a period of 5 continuous years i.e. from the conclusion of 11th AGM till the conclusion of 16th AGM of the Company. M/s. HPVS & Associates, have informed the Company that their appointment, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013. They have also furnished a declaration in terms of Section 141 that they are eligible to be appointed as auditors and that they have not incurred any disqualification under the Companies Act, 2013. A brief profile of the Auditors is provided in the Notice of the Annual General Meeting.

The Board recommends appointment of M/s. HPVS & Associates as Statutory Auditors of the Company from the conclusion of 11th AGM up to the conclusion of 16th AGM of the Company, subject to ratification at every Annual General Meeting.

b. Secretarial Auditor

The Board had appointed M/s. Rishikesh Vyas and Associates, Company Secretaries to issue Secretarial Audit Report for the financial year 2016-17. Secretarial Audit Report issued by M/s. Rishikesh Vyas and Associates, Company Secretaries in Form MR-3 for the financial year 2016-17 forms part to this report. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013 and is annexed as **Annexure E**.

26. Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended March 31, 2017 made under the provisions of Section 92(3) of the Act is attached as **Annexure F** which forms part of this Report.

27. Management Discussion and Analysis

A detailed report on the Management Discussion and Analysis is provided as a separate section in the Annual Report.

28. Particulars of Employees and Related Disclosure

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

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the **Annexure G**.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

29. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy technology absorption and foreign exchange

earnings and outgo, required to be furnished pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are as under:

- 1) Part A and B of the Rules, pertaining to conservation of energy and technology absorption are not presently applicable.
- 2) In accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 the information relating to foreign exchange earnings and outgo is provided in the notes forming part of financial statements.
- 3) Foreign Exchange Earnings and Outgo:

Total foreign exchange used and earned during the year.

(₹ in Millions)

	FY 2016-17	FY 2015-16
Foreign Exchange earned	-	-
Foreign Exchange used	6.78	1.45

30. Appreciation and Acknowledgements

Your Directors would like to express their appreciation for the co-operation and assistance received from banks, financial institutions, vendors, customers and the shareholders.

Your Directors also wish to place on record their gratitude for the co-operation and guidance provided by Mormugao Port Trust, Maharashtra Maritime Board, Ministry of Railways and the Governments of Goa and Maharashtra, Orissa and Karnataka and other regulatory authorities.

Your Directors take this opportunity to place on record their appreciation for the valuable contribution made by the employees and officers for the progress of the Company.

For and on behalf of the Board of Directors

N K Jain

Chairman

(DIN:00019442)

Place: Mumbai

Date : May 16, 2017

ANNEXURE A

Employee Stock Option Scheme

Information required to be disclosed under Section 62 of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014

		ESOP Plan 2011				ESOP Plan 2016
Scheme Name		Mega Grant	First Subsequent Grant	Second Subsequent Grant	Third Subsequent Grant	
S. No.	Particulars	2010-11	2011-12	2012-13	2013-14	2016-2017
1	Options Granted	435,831	76,665	88,467	90,745	1,68,495
2	Pricing Formula	Intrinsic value method				Capital Market link Valuation
3	Exercise Price (₹)	10	85.66	99.68	123.75	897.00
4	Options Vested	435,831	76,665	88,467	90,745	1,44,128
5	Options Exercised	190,388	26,871	33,659	-	-
6	Total number of Shares arising as a result of exercise of options	190,388	26,871	33,659	-	-
7	Options Lapsed	84,792	21,887	19,658	11,913	24,367
8	Variations of terms of options	-	-	-	-	-
9	Money realised by exercise of the options	As the scheme is implemented through JSW Infrastructure Welfare Trust accordingly amount calculated as per exercise price is received by JSW Infrastructure Employees welfare trust.				
10	Total number of options in force	160,651	27,907	35,150	78,832	1,44,128
11	Details of options granted to senior managerial personnel	163,843	24,854	31,538	21,641	17,824
i.	Any other employee who receives in any one year of grant of options amounting to 5% or more of options granted during that year	None	None	None	None	None
ii.	Identified employees, who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant	None	None	None	None	None

ANNEXURE B

FORM AOC-1

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures Part A: Subsidiaries

Sr. No.	Name of the subsidiary	Financial year ended	Exchange rate	Share capital (paid-up)	Reserves and Surplus	Total Assets	Total Liabilities	Invest-ments	Turnover	(in ₹ millions except % of shareholding)			
										Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding
1.	JSW Jaigarh Port Limited	March 31, 2017	INR	4,005.00	6,884.20	26,321.11	15,431.91	252.42	4,473.82	1,749.49	321.55	1,427.94	100%
2.	South West Port Limited	March 31, 2017	INR	462.00	5,053.48	7,469.58	1,954.10	0.05	3,021.53	781.29	143.14	638.15	74%
3.	JSW Shipyard Private Limited	March 31, 2017	INR	8.11	(2.78)	12.21	6.88	-	-	(0.25)	-	(0.25)	100%
4.	JSW Jaigarh Infrastructure Development Private Limited	March 31, 2017	INR	10.00	107.39	211.03	93.64	110.00	-	(3.10)	(0.72)	(2.38)	100%
5.	Nalwa Fintrade Private Limited	March 31, 2017	INR	0.50	21.71	47.18	24.97	45.25	-	(1.25)	(0.29)	(0.96)	100%
6.	Vanity Fintrade Private Limited	March 31, 2017	INR	0.50	49.05	106.08	56.53	102.73	-	(2.88)	(0.67)	(2.21)	100%
7.	Dhamankhol Fintrade Private Limited	March 31, 2017	INR	0.50	40.16	86.97	46.32	84.20	-	(2.36)	(0.55)	(1.81)	100%
8.	JSW Nandgaon Port Private Limited	March 31, 2017	INR	363.66	(15.91)	387.99	40.24	-	-	0.57	0.18	0.39	100%
9.	JSW Dharamtar Port Private Limited	March 31, 2017	INR	150.10	582.57	4,926.92	4,194.25	0.10	1,213.07	788.94	270.60	518.28	100%
10.	JSW Terminal (Mormugao) Private Limited	March 31, 2017	INR	0.10	(0.23)	0.02	0.15	-	-	(0.02)	-	(0.02)	100%
11.	Masad Marine Services Private Limited	March 31, 2017	INR	0.10	(0.09)	0.03	0.02	-	-	(0.04)	-	(0.04)	100%
12.	Jaigarh Digni Rail Limited	March 31, 2017	INR	400.50	5.75	414.05	7.80	-	-	14.16	4.72	9.43	63%
13.	JSW Salav Port Private Limited	March 31, 2017	INR	0.10	(0.04)	7.10	7.05	-	-	(0.02)	-	(0.02)	100%
14.	JSW Paradip Terminal Private Limited	March 31, 2017	INR	0.10	(9.72)	363.63	373.25	-	-	(6.20)	-	(6.20)	74%
15.	Paradip East Quay Terminal Pvt. Ltd.	March 31, 2017	INR	0.10	(0.11)	142.42	142.42	-	-	(0.11)	-	(0.11)	74%
16	JSW Terminal (Middle East) FZE	March 31, 2017	INR/AED 17.6633	2.65	(2.63)	69.14	69.12	-	36.95	(3.12)	-	(3.12)	100%

Notes:

1) Proposed Dividend from any of the subsidiaries is NIL.

2) The following companies are yet to commence operation:

Sr. No.	Name of Subsidiaries
1.	JSW Shipyard Private Limited
2.	JSW Jaigarh Infrastructure Development Private Limited
3.	Nalwa Fintrade Private Limited
4.	Vanity Fintrade Private Limited
5.	Dhamankhol Fintrade Private Limited
6.	JSW Nandgaon Port Private Limited
7.	JSW Terminal (Mormugao) Private Limited
8.	Masad Marine Services Private Limited
9.	JSW Salav Port Private Limited
10.	JSW Paradip Terminal Private Limited
11.	Jaigarh Digni Rail Limited
12.	Paradip East Quay Terminal Pvt. Ltd.
13.	JSW Terminal (Middle East) FZE

For and on behalf of the Board of Directors

Capt. BVJK Sharma
JMD & CEO
(DIN: 00017758)

N K Jain
Chairman
(DIN: 00019442)

Gazal Qureshi
Company Secretary
M. No. A16843

Lalit Singhvi
CFO-Sr. VP Finance & Commercial
(DIN: 05335938)

Place: Mumbai
Date: May 16, 2017

ANNEXURE C**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2017 which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

Name of Related Party	Nature of Relationship	Duration of Contract	Salient Terms	Date of Approval by the Board/Audit Committee	Amount (in ₹ millions)
Nature of Contract					
Purchase of Services					
JSW IP Holdings Private Limited	Fellow Subsidiary Company	12 months	Brand royalty fees	March 23, 2016	0.17
JSW Dharamtar Port Private Limited	Subsidiary Company	12 months	Cargo handling services	March 23, 2016	76.51
Purchase of services is excluding service tax					
Sale of Services					
JSW Jaigarh Port Limited	Subsidiary Company	12 months	Cargo handling services	March 23, 2016	705.60
JSW Dharamtar Port Private Limited	Subsidiary Company	12 months	Cargo handling services	March 23, 2016	220.00
South West Port Limited	Subsidiary Company	12 months	Cargo handling services	March 23, 2016	120.11
JSW Steel Limited	Others	12 Months	Cargo Management Fees	March 23, 2016	13.20
Sale of services is excluding service tax					

For and on behalf of the Board of Directors

Place: Mumbai
Date : May 16, 2017

N K Jain
Chairman
(DIN: 00019442)

ANNEXURE D

ANNUAL REPORT ON CSR ACTIVITIES

Particulars	Amount (₹ in Lakhs)
Average net profit of the Company for last three financial years	5,953
Prescribed CSR Expenditure (2% of the average net profit)	119
Details of CSR Expenditure during the financial year:	
Total amount to be spent for the financial year	119
Amount Spent	119
Amount Unspent	-
Excess Spent	-

Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered	Locality	Amount Outlay	Amount Spent	Cumulative Expenditure	Amount Spent: Direct or through Implementing Agency
1	Promoting Kitchen garden and vertical garden for iron supplement,	Improving Living Conditions	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	1.00	1.00	1.00	NGO MANAS
2	Iron vessels (Kadhai) to Anaemic girls and ANCs	Improving Living Conditions	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	1.00	1.00	1.00	NGO MANAS
3	Medication in severe anaemic cases to ANCS and Adolescent girls/ Spirulina	Improving Living Conditions	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	1.00	1.00	1.00	NGO MANAS
4	1) Diet Education Campaign through workshops and IEC material Anganwadi teachers, ASHA 2) Workers training for anaemia prevention and control 3) Strengthening Health Welfare Committee	Improving Living Conditions	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	1.00	1.00	1.00	NGO MANAS
5	Advance (prick less) HB testing devices at PHC and Sub-centre level	Improving Living Conditions	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	0.83	0.83	0.83	NGO MANAS
6	Infrastructure Upgradation of PHCs and Sub-centres PHC Upgradation at Murbe	Improving Living Conditions	Village Murbe, Tal & Dist Palghar	2.00	2.00	2.00	NGO MANAS
7	PHC Upgradation at Dandi	Improving Living Conditions	Village Dandi, Tal & Dist Palghar	1.17	1.48	1.48	NGO MANAS

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered	Locality	Amount Outlay	Amount Spent	Cumulative Expenditure	Amount Spent: Direct or through Implementing Agency
8	1) Anganwadi Upgradation - Internal Painting, Educational charts at 5 Anganwadi Centres 2) Roof Repairing, Toilet Plumbing and Toilet Repairing at Primary School, Alewadi 3) Grill Work and doors for toilets at Primary School Dandi 4) Toilet Plumbing, Electrification, Installation of CCTV, Playground Development, Development of Science garden, window grill work and repairing at Anuvikas Vidyalay, Dandi 5) Centralized sound system & CCTV installation, Installation of Green Boards, Electrification, Roof Replacement and window repairing at Sevashram Vidyalay, Murbe 6) Installation of Green Boards and CCTV at Janata Vidyalay, Navapur 7) School Toilet Construction at Dandi	Promoting Social Development - Infrastructural Development	Village Dandi & Alewadi, Navapur and Murbe Tal & Dist Palghar	30.00	29.71	29.71	Direct - JSWIL
9	Rural Toppers Award to Girls in SSC Std.	Promoting Social Development	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	0.75	0.75	0.75	Direct - JSWIL
10	Educational aid to poor and needy girls to prevent drop out. Books provided will be used during summer vacation by girls which also stops their engagement in part-time	Promoting Social Development	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	3.25	3.25	3.25	NGO MANAS
11	Aptitude Tests, Career guidance and career planning sessions for girls and sensitization of parents, initiating support system for access to career oriented streams	Promoting Social Development	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	2.00	2.00	2.00	NGO MANAS
12	Upgradation of Infrastructure at Ratnagiri Education Society	Promoting Social Development	Ratnagiri	23.21	23.21	23.21	Direct - JSWIL

(1) Sr. No.	(2) CSR Project or Activity Identified	(3) Sector in which the project is covered	(4) Locality	(5) Amount Outlay	(6) Amount Spent	(7) Cumulative Expenditure	(8) Amount Spent: Direct or through Implementing Agency
13	Group toilets for women	Addressing Social Inequalities	Group Toilet at Navapur, Group Toilet at Navapur and School Toilet at Anuvikas Vidyalay, Dandi	10.00	9.85	9.85	Direct - JSWIL
14	Gender Issues - All other gender equality related programs VIZ. 1) Gender sensitization workshops Anganwadis and Women Group 2) Book Writing and Printing – 4 stories on Health, Education, Environment and Empowerment, Meetings/ programs to execute. 3) IEC Activities of Mission 100 % girls' education and Anaemia Prevention and Control Program.	Addressing Social Inequalities	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	6.72	6.72	6.72	NGO MANAS
15	Gender Equality Program Administration	Addressing Social Inequalities	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	5.28	5.28	5.28	NGO MANAS
16	Supporting Livelihood Activities Establishing Womens Business Units	Addressing Social Inequalities	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	2.00	4.01	4.01	Direct - JSWIL
17	Sports coaching to girls of three high schools	Promoting Rural Sports Training	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	2.00	2.06	2.06	Direct - JSWIL
18	Sports Tournaments, Interschool Sports Tournaments	Promoting Rural Sports Training	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	3.00	2.88	2.88	Direct - JSWIL
19	Sports Infrastructure Development	Promoting Rural Sports Training	Construction of Cricket Pitch at Navapur Village	2.00	2.05	2.05	Direct - JSWIL
20	Community Toilets	Promoting Rural Development	Community Toilet construction at Village Murbe	5.00	3.90	3.90	Direct - JSWIL
21	Bore Wells for drinking water	Promoting Rural Development	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	4.00	2.89	2.89	Direct - JSWIL
22	Promoting fishing business	Promoting Rural Development	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	6.00	6.08	6.08	Direct - JSWIL
23	Fishermen Society Repairing/Training Hall, Dandi	Promoting Rural Development	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	2.00	3.65	3.65	Direct - JSWIL

(1) Sr. No.	(2) CSR Project or Activity Identified	(3) Sector in which the project is covered	(4) Locality	(5) Amount Outlay	(6) Amount Spent	(7) Cumulative Expenditure	(8) Amount Spent: Direct or through Implementing Agency
24	Administration & Capacity Building Expenses	Admin & Misc.	Village Dandi, Navapur, Alewadi, Nandgaon & Dandi, Tal/Dist - Palghar	2.00	0.61	0.61	Direct - JSWIL
TOTAL				119.00	119.00	119.00	

Please note the CSR expenses as per Accounts are ₹ 120.93 Lakhs (including service tax reverse charge of ₹ 1.93 Lakhs on works contracts).

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

Place : Mumbai
Date : May 16, 2017

Mr. K C Jena
(DIN: 02989575)
Chairman CSR Committee

Capt. BVJK Sharma
(DIN: 00017758)
JMD & CEO

ANNEXURE E

FORM NO. MR-3

Secretarial Audit Report for the Financial Year Ended March 31, 2017

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

To,
The Members of
JSW Infrastructure Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JSW Infrastructure Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verifications of the Company's books, papers, minute books, forms and returns led and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns led and other records made available to me and maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; *(Not applicable to the Company during the audit period)*
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not applicable to the Company during the audit period)* and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(Not applicable to the Company during the audit period)*

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following laws applicable specifically to the Company:

1. The Indian Ports Act, 1908
2. Land Policy for Major Ports, 2014
3. Major Port Trust Act, 1963
4. Guidelines for Regulation of Tariff at Major Ports Act, 2004 (TAMP Guidelines, 2004)

5. Policy for preventing Private Sector Monopoly in Major Ports, 2010
6. Inland Vessels Act, 1917
7. Dock Workers (Safety, Health and Welfare) Act, 1986
8. Dock Workers (Regulation of Employment) Act, 1948

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings were taken unanimously wherever it was warranted.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the no major decision, specific events/actions occurred having a major bearing on the Company affairs in pursuance of the above referred laws, rules, regulations, guidelines standards etc.

For **Rishikesh Vyas & Associates**

Rishikesh Vyas

Company Secretaries
(CP No.: 13110)

Mumbai
April 17, 2017

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure to Secretarial Audit Report of JSW Infrastructure Limited dated April 17, 2017

To,
The Members
JSW Infrastructure Limited

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Rishikesh Vyas & Associates**

Rishikesh Vyas
Company Secretaries
(CP No.: 13110)

Mumbai
April 17, 2017

ANNEXURE F**EXTRACT OF ANNUAL RETURN****As on financial year ended on March 31, 2017****[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]****I. REGISTRATION AND OTHER DETAILS:**

CIN	: U45200MH2006PLC161268
Registration Date	: April 21, 2006
Name of the Company	: JSW Infrastructure Limited
Category / Sub-Category of the Company	: Public Limited
Address of the Registered office and contact details	: JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai 400051
Whether listed company	: Listed on Bombay Stock Exchange for Debt Securities
Name, Address and Contact details of Registrar and Transfer Agent, if any:	: Karvy Computershare Private Limited Karvy Selenium, Tower- B, Plot No. 31 & 32., Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad, 500032 Tel : 040-33211500, Fax : 040-23001153

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated: -

Sl. No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the company
1.	Port Services	501 – Sea and coastal water transport	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable section
1	JSW Infrastructure Fintrade Private Limited	U45206MH2010PTC203280	Holding Company	98.52	Section 2(46)
2	JSW Jaigarh Port Limited	U45205MH2007PLC166784	Subsidiary Company	100.00	Section 2(87)
3	South West Port Limited	U45203GA1997PLC002369	Subsidiary Company	74.00	Section 2(87)
4	JSW Nandgaon Port Private Limited	U93030MH2011PTC224380	Subsidiary Company	100.00	Section 2(87)
5	JSW Dharamtar Port Private Limited	U93030MH2012PTC236083	Subsidiary Company	100.00	Section 2(87)
6	JSW Shipyard Private Limited	U63032MH2008PTC177642	Subsidiary Company	100.00	Section 2(87)
7	JSW Jaigarh Infrastructure Development Private Limited	U45203MH2007PTC177168	Subsidiary Company	100.00	Section 2(87)
8	Nalwa Fintrade Private Limited	U74999MH2010PTC203103	Subsidiary Company	100.00	Section 2(87)
9	Vanity Fintrade Private Limited	U74999MH2010PTC203084	Subsidiary Company	100.00	Section 2(87)
10	Dhamankhol Fintrade Private Limited	U74999MH2010PTC203204	Subsidiary Company	100.00	Section 2(87)
11	JSW Terminal (Mormugao) Private Limited	U74900GA2014PTC007400	Subsidiary Company	100.00	Section 2(87)
12	Masad Marine Services Private Limited	U74120MH2014PTC258571	Subsidiary Company	100.00	Section 2(87)
13	JSW Paradip Terminal Private Limited	U74999MH2015PTC262561	Subsidiary Company	93.24	Section 2(87)
14	JSW Salav Port Private Limited	U74999MH2015PTC263447	Subsidiary Company	100.00	Section 2(87)
15	Jaigarh Digni Rail Limited	U60232MH2015PLC264711	Subsidiary Company	63.00	Section 2(87)
16	Paradip East Quay Coal Terminal Private Limited	U74999MH2016PTC280001	Subsidiary Company	93.24	Section 2(87)
17	JSW Termianl (Middle East) FZE	16-FZE-1685	Subsidiary Company	100.00	Section 2(87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i. Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	5,60,03,610	62,890	5,60,66,500	98.63	5,60,03,610	62,890	5,60,66,500	98.63	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other (Trust)	5,32,298	-	5,32,298	0.93	5,30,214	-	5,30,214	0.93	(0.39)
Sub-total (A)(1):	5,65,35,908	62,890	5,65,98,798	99.56	5,65,33,824	62,890	5,65,96,714	99.56	(0.39)
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	5,65,35,908	62,890	5,65,98,798	99.56	5,65,33,824	62,890	5,65,96,714	99.56	(0.39)
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	6,178	-	6,178	0.01	8,262	-	8,262	0.01	33.73
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2,42,656	-	2,42,656	0.43	2,42,656	-	2,42,656	0.43	-
c) Others (Trust)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):	2,48,834	-	2,48,834	0.44	2,50,918	-	2,50,918	0.44	33.73
Total Public Shareholding (B)=(B)(1)+(B)(2)	2,48,834	-	2,48,834	0.44	2,50,918	-	2,50,918	0.44	33.73
C. Shares held by Custodian for GDRs & ADRs									
-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	5,67,84,742	62,890	5,68,47,632	100.00	5,67,84,742	62,890	5,68,47,632	100.00	-

Notes: 1) Bodies Corporate under the head “Promoter” holds shares alongwith its nominees.

ii. Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	JSW Infrastructure Fintrade Private limited (including nominee shareholding)	5,60,04,210	98.52	55.67	5,60,04,210	98.52	55.67	-
2.	Avani Spaces Private Limited	31,145	0.05	-	31,145	0.05	-	-
3.	Nisarga Spaces Private Limited	31,145	0.05	-	31,145	0.05	-	-
4.	JSW Infrastructure Employees Welfare Trust (held by Mr. Bharamappa Kuntageri, Mr. Munish Jindal and Mr. Umesh Kandoi as a Trustees)	5,32,298	0.93	-	5,30,214	0.93	-	(0.39)
Total		5,65,98,798	98.56	55.67	5,65,96,714	98.56	55.67	(0.39)

iii. Change In Promoters' Shareholding (Please specify, if there is no change):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	JSW Infrastructure Fintrade Private Limited				
	At the beginning of the year	5,60,04,210	98.52	5,60,04,210	98.52
	Purchase/Transfer	-	-	-	-
	At the end of the year	5,60,04,210	98.52	5,60,04,210	98.52
2.	Avani Spaces Private Limited				
	At the beginning of the year	31,145	0.05	31,145	0.05
	Purchase/Transfer	-	-	-	-
	At the end of the year	31,145	0.05	31,145	0.05
3.	Nisarga Spaces Private Limited				
	At the beginning of the year	31,145	0.05	31,145	0.05
	Purchase/Transfer	-	-	-	-
	At the end of the year	31,145	0.05	31,145	0.05
4.	JSW Infrastructure Employees Welfare Trust (held by Mr. Bharamappa Kuntageri, Mr. Munish Jindal and Mr. Umesh Kandoi as a Trustees)				
	At the beginning of the year	5,32,298	0.93	5,32,298	0.93
	Transfer during the year	(2,084)	(0.39)	(2,084)	(0.39)
	At the end of the year	5,30,214	0.93	5,30,214	0.93

Note: The shareholding of JSW Infrastructure Employees Welfare Trust decreases due to exercise of options by the employees of the Company.

iv. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	MSR Patrudu				
	At the beginning of the year	22,421	0.04	22,421	0.04
	*Purchase during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	22,421	0.04	22,421	0.04
2.	Santhosh Nair				
	At the beginning of the year	5,894	0.01	5,894	0.01
	*Purchase during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	5,894	0.01	5,894	0.01
3.	Hiren Deshpande				
	At the beginning of the year	0	0.00	0	0.00
	*Purchase during the year	284	0.00	284	0.00
	At the end of the year (or on the date of separation, if separated during the year)	284	0.00	284	0.00
3.	Abir Dube				
	At the beginning of the year	0	0.00	0	0.00
	*Purchase during the year	2,084	0.00	2,084	0.00
	At the end of the year (or on the date of separation, if separated during the year)	2,084	0.00	2,084	0.00

Note: * The above mentioned increase in shareholding is due to exercise of options by the employees of the Company or its subsidiaries.

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Capt. BVJK Sharma (JMD & CEO)				
	At the beginning of the year	2,20,235	0.39	2,20,235	0.39
	Purchase during the year	0	0.00	0	0.00
	At the end of the year	2,20,235	0.39	2,20,235	0.39

Notes: 1) The shareholding if any in a capacity of nominee is not included.

2) The shareholding of Capt. BVJK Sharma (JMD & CEO) detailed above is in capacity of employee in South West Port Limited, subsidiary company of the Company and no ESOP has been granted as a Director of the Company.

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

₹ in Million

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,448.33	-	-	4,448.33
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	37.31	-	-	37.31
Total (i+ii+iii)	4,585.64	-	-	4,585.64
Change in Indebtedness during the financial year				
Addition	0.00	-	-	0.00
Reduction	(1,267.24)	-	-	(1,267.24)
Net Change	(1,267.24)	-	-	(1,267.24)
Indebtedness at the end of the financial year				
i) Principal Amount	3,191.84	-	-	3,191.84
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	26.56	-	-	26.56
Total (i+ii+iii)	3,218.40	-	-	3,218.40

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Amount in ₹

Sl. No.	Particulars of Remuneration	*Capt. BVJK Sharma (Jt. Managing Director & CEO)
1	Gross salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	3,22,69,593
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	28,800
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-
2	Stock Option	3,44,35,787
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others, specify	-
5	Employers contribution towards PF	10,42,512
	Total (A)	6,77,76,692
	Ceiling as per the Act	*NA

*Capt BVJK Sharma is in receipt of remuneration from South West Port Limited (subsidiary company of the Company), where he is holding an office or place of profit. As there is no remuneration paid from the Company, ceiling as per the Act is not applicable.

B. Remuneration to other Directors:

Amount in ₹

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. N K Jain	Mr. K C Jena	Mr. Arun Bongirwar	Ms. Ameeta Chatterjee	
1.	Independent Directors	-	-	-	-	-
	Fee for attending board / committee meetings	-	2,80,000	1,00,000	2,80,000	6,60,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	2,80,000	1,00,000	2,80,000	6,60,000
2.	Other Non-Executive Directors					
	Fee for attending board / committee meetings	2,80,000	-	-	-	2,80,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	2,80,000	-	-	-	2,80,000
	Total (B)=(1+2)	2,80,000	2,80,000	1,00,000	2,80,000	9,40,000
	Total Managerial Remuneration					NA
	Overall Ceiling as per the Act					NA

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD:

Amount in ₹

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		(Ms. Gazal Qureshi) *Company Secretary	Mr. Lalit Singhvi CFO	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	17,21,907	1,16,26,326	1,33,48,233
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Employers contribution towards PF	71,760	4,41,660	5,13,420
	Total	17,93,667	1,20,67,986	1,38,61,653

*Ms. Gazal Qureshi is in receipt of salary from subsidiary company, she is holding a position in secretarial department.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no Penalties/ Punishment/ Compounding of Offences during the year ended March 31, 2017.

ANNEXURE G (i)

(a) Employed throughout FY 2016-17 and were in receipt of remuneration aggregating to not less than ₹ 60 Lakhs per annum

						Amount in ₹
Sr. No.	Name and Age	Designation	Remuneration (INR)	Qualification and Exp.	Date of Commencement of Employment	Last Employment Held
1.	Lalit Singhvi (54 years)	Senior Vice President	1,16,41,326	B. Com, CA Exp. - 30 years	January 15, 2015	Shree Shubam Logistics Ltd.
2.	Rashmi Ranjan Patra (56 years)	Vice President	66,43,210	B.Tech/M.S. (Civil & Coastal Engg.)	March 07, 2011	DHI Group
3.	Naveen Kumar (48 years)	Vice President	71,04,076	MBA, Exp. – 21 years	October 01, 2014	Nomura Services
4.	Rakesh Sisodia (52 years)	Vice President	62,08,793	B.E. (Civil), Exp. - 27 years	February 11, 2016	Essar Projects India Limited

(b) Employed for part of the year in FY 2016-17 and were in receipt of remuneration aggregating to not less than ₹ 5 Lakhs per month

Sr. No.	Name and Age	Designation	Remuneration (INR)	Qualification and Exp.	Date of Commencement of Employment	Last Employment Held
1.	Devki Nandan (46 years)	Senior Vice President	30,44,043	B. E, (Marine) Exp. - 25 years	November 08, 2016	APM Terminals

Note:

Salary includes Basic Salary, House Rent Allowance, Bonus, use of Company's Car, Furniture & Equipment and perquisites, the monetary value of which has been calculated in accordance with the provisions of the Income Tax Act, 1961 (excluding perquisites arising on account of exercise of ESOP's) and Rules

made thereunder but does not include Company's Contribution to Gratuity Fund, Leave Encashment, etc.

ANNEXURE G (ii)

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

No.	Requirement	Information																
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	<table><tr><th>Director</th><th>Ratio</th></tr><tr><td>Capt. BVJ K Sharma ⁽¹⁾</td><td>NA</td></tr><tr><td>Mr. N K Jain</td><td>0.15 : 1.00</td></tr><tr><td>Mr. K C Jena</td><td>0.15 : 1.00</td></tr><tr><td>Mr. Arun Bongirwar</td><td>0.05 : 1.00</td></tr><tr><td>Ms. Ameeta Chatterjee</td><td>0.15 : 1.00</td></tr></table> <p>Note: In respect of Non-Executive Directors, the comparison is based on their respective actual remuneration during FY 2016-17 in the capacity of Director</p>	Director	Ratio	Capt. BVJ K Sharma ⁽¹⁾	NA	Mr. N K Jain	0.15 : 1.00	Mr. K C Jena	0.15 : 1.00	Mr. Arun Bongirwar	0.05 : 1.00	Ms. Ameeta Chatterjee	0.15 : 1.00				
Director	Ratio																	
Capt. BVJ K Sharma ⁽¹⁾	NA																	
Mr. N K Jain	0.15 : 1.00																	
Mr. K C Jena	0.15 : 1.00																	
Mr. Arun Bongirwar	0.05 : 1.00																	
Ms. Ameeta Chatterjee	0.15 : 1.00																	
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<table><tr><th>Director</th><th>% Change</th></tr><tr><td>Capt. BVJ K Sharma ⁽¹⁾</td><td>NA</td></tr><tr><td>Mr. N K Jain</td><td>(6.67)%</td></tr><tr><td>Mr. K C Jena</td><td>(6.67)%</td></tr><tr><td>Mr. Arun Bongirwar</td><td>25.00 %</td></tr><tr><td>Ms. Ameeta Chatterjee</td><td>16.67%</td></tr><tr><td>Mr. Lalit Singhvi ⁽²⁾</td><td>239.40%</td></tr><tr><td>Ms. Gazal Qureshi ⁽³⁾</td><td>NA</td></tr></table> <p>Note: In respect of Non-Executive Directors, the % change shown is based on their respective actual remuneration during FY 2016-17</p>	Director	% Change	Capt. BVJ K Sharma ⁽¹⁾	NA	Mr. N K Jain	(6.67)%	Mr. K C Jena	(6.67)%	Mr. Arun Bongirwar	25.00 %	Ms. Ameeta Chatterjee	16.67%	Mr. Lalit Singhvi ⁽²⁾	239.40%	Ms. Gazal Qureshi ⁽³⁾	NA
Director	% Change																	
Capt. BVJ K Sharma ⁽¹⁾	NA																	
Mr. N K Jain	(6.67)%																	
Mr. K C Jena	(6.67)%																	
Mr. Arun Bongirwar	25.00 %																	
Ms. Ameeta Chatterjee	16.67%																	
Mr. Lalit Singhvi ⁽²⁾	239.40%																	
Ms. Gazal Qureshi ⁽³⁾	NA																	
(iii)	The percentage increase in the median remuneration of employees in the financial year	7.7%																
(iv)	The number of permanent employees on the rolls of company	181 as on March 31, 2017																
(v)	The explanation on the relationship between average increase in remuneration and company performance	Increase in remuneration depends on various factors like company's performance, benchmarking, inflationary trends, talent availability and turnover apart from individual performance of employees. Average increase in remuneration in FY 2016-17 was 7.7%. This has been arrived at considering only those employees who were eligible for increment.																
		The Company performance in terms of EBITDA decreased by 26% over previous year.																
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Total KMP remuneration has been ₹ 47.2 Million whereas EBITDA has been ₹ 1,867 Million ⁽⁴⁾																

No.	Requirement	Information
(vii)	Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	Network for fiscal 2017 is ₹ 7,408 Million as against ₹ 6,657 Million for fiscal 2016, shows an increase of ₹ 751 Million.
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase in salary of employee 7.7%
(ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Remuneration of Key Managerial Personnel Mr. Lalit Singhvi as % of EBITDA for FY 2016-17
(x)	The key parameters for any variable component of remuneration availed by the Directors	Variable Component of Pay is dependent upon 2 two factors; Company Performance and Individual Performance. The company performance component includes techno-economic parameters viz. Cargo throughput (MMT), Annual Turnover (Cr.), EBITDA, Safety and Environment with specified weightages for each factor. The individual performance component depends on individual performance rating for the year. The remuneration of Jt. Managing Director salary is being paid from South West Port Limited (subsidiary company) hence the said clause is not applicable.
(xii)	Affirmation that the remuneration is as per the remuneration policy of the company	Affirmed
(1)	(1) Capt. BVJK Sharma is in receipt of remuneration from South West Port Limited, a subsidiary company of the Company, where he is holding an office or place of profit; no remuneration is paid from the Company.	
(2)	(2) Ms. Gazal Qureshi is in receipt of salary from subsidiary company, she is holding a position in secretarial department.	
(3)	(3) Mr. Lalit Singhvi is appointed as a CFO w.e.f October 31, 2015.	
(4)	(4) The total KMP remuneration includes the remuneration of both Capt BVJK Sharma, Mr. Lalit Singhvi and Ms. Gazal Qureshi for the period under review.	

Management Discussion and Analysis

The Management Discussions hereunder, cover the financial result of JSW Infrastructure Limited (JSWIL) and its subsidiaries for the year ended 31st March 2017; and the Company's business development initiatives and business outlook is based on the current policy business and economic environment. Material changes in any of these are likely to cause variation in the outlook.

The financial year 2016-17 was a year marked with both excitement and challenges for the global as well as the Indian economy. Some developments that took place during the year could very well turn out to be the defining moments for the world economy at large. The sheer scale and swiftness with which the Indian Government demonetised almost 86% of the currency notes in circulation in November 2016, is one such event. Coming at a time when the Indian economy was just looking up on the back of positive sentiments from private consumption and a normal monsoon, the cash shortage and payment disruptions caused by demonetisation, strained the consumption and business activity for a major part of the second half of the fiscal year. Consequently, GDP growth for the year is expected to be almost 1% lower at 6.7% than that in the previous year. Capital investments still remain stagnant with an overhang of spare capacity in many industries. Corporate balance sheets still remain stretched hindering their ability to invest on any future uptick in demand. Merchandise exports continued to contract, partly as a result of the lower commodity prices as well as due to weak global demand.

Economic Outlook

Global Economy

With buoyant financial markets and a long-awaited cyclical recovery in manufacturing and trade, world growth is projected to rise from 3.1 percent in 2016 to 3.5 percent in 2017 and 3.6 percent in 2018. But binding structural impediments continue to hold back a stronger recovery, and the balance of risks remains tilted to the downside, at least for the medium term.

With persistent structural problems such as low productivity growth and high income inequality, pressures for inward-looking policies are increasing in advanced economies. These threaten global economic integration and the cooperative global economic order that have served the world economy, especially the emerging market and developing economies, well.

Against this backdrop, economic policies have an important role to play in staving off downside risks and securing the recovery. A renewed multilateral effort is also needed to tackle common challenges in an integrated global economy.

In recent years, emerging market and developing economies have become increasingly important in the overall global economy. They now account for more than 75 percent of global growth in output and consumption, almost double their share just two decades ago. The external environment has been important for this transformation. Terms of trade, external demand, and, in particular, external financial conditions are increasingly influential determinants of medium-term growth in these economies as they become more integrated with the global economy.

(Source: IMF WEO Apr 2017)

Indian Economy

On the IMS view point India, Strong Growth Persists Despite New Challenges:

- India remains one of the fastest growing emerging market economies
- Due to recent cash shortages, growth is projected to slow temporarily this fiscal year
- Maintaining the reform momentum is key to stronger growth

India's overall outlook remains positive, although growth will slow temporarily as a result of disruptions to consumption and business activity from the recent withdrawal of high-denomination banknotes from circulation.

However, Indian economy's expansion will resume as economic reforms kick in, said the IMF in its latest assessment. Growth is expected at 6.6 percent in this fiscal year and at 7.2 percent in the following year.

The government has made significant progress on important economic reforms, which will support strong and sustainable long-term growth. In particular, the upcoming implementation of the Goods and Services Tax (GST), which has been in the making for over a decade, will help raise India's medium-term growth

to above 8 percent, as it will enhance the efficiency of production and movement of goods and services across Indian States.

Challenges remain, however, and there is little scope for complacency. A key concern for us is the health of the banking system, which is still dealing with a large amount of bad loans, and also heightened corporate vulnerabilities in several key sectors of the economy.

Cash shortages in the recent few months have resulted in reduced growth forecasts to 6.6 percent for fiscal year 2016-17 and to 7.2 percent in 2017-18.

The government has taken policy measures to help reduce fuel and fertilizer subsidies, continue with fiscal consolidation, bolster the financial system, and strengthen the business climate, all of which have helped enhance confidence in the economy.

(Source: IMF Survey Magazine March, 2017)

India Port Industry

India's extensive 7,517 kilometres of coastline has 13 major ports and 200 notified non-major ports spread across nine maritime states handling approximately 95% of foreign trade by volume. Cargo traffic, which recorded 1,138 Million Metric Tonne (MMT) in 2017, 6.9% growth over 1072 MMT in 2016.

India's major ports are mainly located at Kandla, Jawaharlal Nehru Port at Nhava Sheva, Mumbai, Paradip, Chennai, New Mangalore, Vishakhapatnam, Cochin, Haldia/Kolkata, Mormugao, Ennore, Tuticorin and Kamarajar. All major ports, except the Kamarajar Port, are administered by the Ministry of Shipping, the Government of India. The total capacity of major ports reached to 1005.9 MMT at the end of FY2017 by adding capacity of 100.59 MMT during the current financial year. Cargo handled by major ports during FY2017 is 647.63 MMT as compared to 606.37 MMT in FY2016, recording a growth of 6.79% on y-o-y basis, and increased at a CAGR of 7.4 per cent during FY07-17.

Non-Major Ports are the ports administered by State/UT governments. The approx 200 non-major ports are mainly located in Gujarat (41), Maharashtra (48), Goa (5), Daman & Diu (2), Karnataka (11), Kerala (17), Lakshadweep (10), Tamil Nadu (15), Pondicherry (2), Andhra Pradesh (12), Orissa (13) and West Bengal (1). Cargo traffic at non-major ports stood at 490 MMT in FY2017.

Dry and liquid bulk make up about 80 percent of the port traffic in volume with general cargo, whereas the containerised cargo constitutes the remaining traffic.

Private Sector Participation

With the opening of the country's economy, the Government of India has allowed private sector participation in major ports for infusing funds, inducting latest technology, improving management practices and above all, adding more capacity. Foreign Direct Investment up to 100% under automatic route is permitted for construction and maintenance of ports and Harbours. Maritime States have also identified projects for development of non-major ports to create additional capacity. Private sector is envisaged to fund most of the projects through Public Private Partnership (PPP), Build, Operate, Transfer (BOT) or Build, Own, Operate and Transfer (BOOT) models. It is envisaged that private sector will mainly contribute to the cost of development of ports in India.

Indian Railways is operating in the core sector of the economy. The investment required to strengthen, modernise and expand the Railway network is enormous. The Ministry of Railways wishes to attract private capital to accelerate construction of fixed rail infrastructure. For this purpose, it has formulated PPP investment models for its existing shelf of projects and new projects.

Opportunities and Future Scenario

The Ministry of Shipping plans to develop 10 coastal economic regions as part of Sagarmala (string of ports) project plan. The zones would be converted into manufacturing hubs, supported by port modernisation projects, and could span across 300-500 kilometres of the coastline. The government is also looking to develop the inland waterway sector as an alternative to road and rail routes for transporting goods to the nation's ports and is aiming to attract private investment in the sector. Government of India has set an ambitious target to convert 101 rivers across the country into waterways to promote water transport and propel economic growth.

Company Overview

JSW Infrastructure Limited, part of the JSW Group, is one of the leading private sector infrastructure companies in India. The Company is committed to develop sea ports, shipyards, and third party logistic solutions, and is operating/developing seaports and terminals in Maharashtra and Goa at present with a current operational capacity of 70 MTPA. JSW Infrastructure's three modern, environment-friendly seaports and terminals in Maharashtra and Goa, viz. JSW Jaigarh Port, JSW Dharamtar Port in Maharashtra and South West Port in Goa, offer mechanised and multi-cargo handling facilities, and are well connected to the industrial hinterlands of Maharashtra, Goa and Karnataka.

JSW Infrastructure was awarded 'Rising Star 2016' in the Maritime and Port Infra Sector Award. Shipping and logistic companies in India present this award to a peer that achieves strides in maritime logistics. During the year, India Maritime Awards organised by Daily Shipping Times awarded Jaigarh Port 'Runner Up for Best Port of the Year (Non Containersied)'.

JSW Infrastructure has clear vision of be a Leading Port Company of India with Capacity to reach 200 MTPA by FY2020.

- Among top five companies in India in terms of capacity and cargo handled
- More than 3.0x increase in capacity, through brownfield/greenfield expansions with significantly low execution risk
- Establishing presence across both east and west coasts of India
- Proven ability to handle multicargo with expertise in handling bulk cargo
- Fully mechanised operations enabling faster turnaround and efficient use of resources

Operational and Projects Review

JSW Jaigarh Port Limited

Location	Jaigarh, Ratnagiri, Maharashtra
Existing Capacity	40.0 MTPA (2016 – 25.0 MTPA)
CoD	Operational: 2010
Concession Period	50 years, (till 2058)
Infrastructure	Current Berths: 3 / 943 M, Current Draft: 18.5 M
Key Cargo	Current: Coal, Iron Ore, Limestone, Sugar, Molasses, Fertilizer, Bauxite etc.

Jaigarh Port (JPL) is an all-weather, 24/7, multi-purpose common user port. JPL, with an increased draft of 18.5 meters, is now one of the deepest draft ports in India. The port occupies a strategic location on the west coast between Mumbai and Goa. It has the location advantage of servicing cargo from Maharashtra as well as Karnataka. With three operational berths, the port has a cargo handling capacity of 40 MTPA.

During the year, JPL completed construction of Berth No. 3A and 3B. On the said berth, handymax type of vessels (50000 DWT) can be handled.

JPL is capable of handling fully loaded 'Cape Size' (200,000 DWT). The port is now expanding from 40 MTPA to 80 MTPA in phases and is building capability to handle containers, RO-RO vessels, LNG, POL and offshore business.

A new railway line of 33.7 kilometers is being developed to connect Jaigarh Port to new Digni station on Konkan Railway Network through PPP route. The company has signed a MoU with the Konkan Railway and Maharashtra Maritime Board, and formed a Special Purpose Vehicle (SPV) as Jaigarh Digni Rail Limited.

JPL has placed order for purchase of 4 Nos. of Mini Bulk Carriers (MBC) having carrying capacity of 8000 DWT. These MBCs shall ply between Jaigarh port to Dharamtar Port to carry bulk materials.

JPL has entered into a Port Service Agreement and Sub Concession Agreement with H-Energy Gateway Private Limited for setting up a Floating Storage and Regasification Unit (FSRU) at the Port for LNG import.

South West-Goa Port Limited

Location	Mormugao, Goa
Existing Capacity	14MTPA
CoD	Operational: 2004
Concession Period	30 years, (till 2029)
Infrastructure	Current Berths: 2/450 M, Current Draft: 14.3 M
Key Cargo	Coal and Steel Products

South West Port (SWPL) provides vital logistic and cargo handling support to the JSW Steel plant at Vijayanagar, Karnataka, for import of coal and iron ore and export of finished steel. SWPL operates two dedicated bulk cargo berths at Mormugao Port Trust in Goa, on a BOOT license agreement. During the year, the port has commissioned mechanised cargo handling systems, mechanised wagon loading system connected by closed conveying system, dust suppression systems, and air pollution monitoring systems.

The Ministry of Shipping has undertaken Capital Dredging to deepen the draft from 14.4 meters to 18.5 meters and become a Cape Compliant Port. Further, SWPL has commissioned two grab ship unloaders having discharge capacity of 2000 TPH, which have replaced two mobile harbor cranes having lesser capacity, effectively increasing terminal capacity to 14 MTPA.

JSW Dharamtar Port Private Limited

Location	Dharamtar, Raigad, Maharashtra
Existing Capacity	16.0 MTPA
CoD	Operational: 2012
Infrastructure	Current Berths: 430 M, Current Draft: 3 M
Key Cargo	Pellets, Lumps, Iron ore Fines, Limestone, Dolomite, HBI, Coal, Scrap

JSW Dharamtar Port Pvt Ltd (DPPL) is strategically located at 80 kilometers south of Mumbai and nearly 135 kms from Pune.

DPPL is having barge berth (Jetty) facilities at Dharamtar Port, located at Village Dolvi, in Raigad District. The site is located in the vicinity of Dharamtar Port (lat. 18o 42'03" and long. 73o 01' 46") South East of Mumbai harbour in Dharamtar Creek in the estuary of Amba river extending to about 12 nautical miles upstream of the river.

DPPL has developed four new berths with a combined length of 619 metres that are aligned with the existing berths connected to the riverbank with approaches to the south-east end (existing), central, and north-west end. The berths are constructed with the necessary alignment with respect to the navigation channel and adjacent marine structures. It has integrated a deck supported on appropriate piles in accordance with the prevailing sub-soil conditions. The structure has a design life of 50 years. The new berths will have adequate length and inter-barge spacing to accommodate up to 8,000 dwt barge size and support bulk and discrete cargo handling with equipment and systems suitably configured and arranged. The new berths are having three barge unloaders between them with the ability to travel and operate at any berth on common crane rails laid along the entire length of the berths. With this arrangement, up to two unloaders will be able to discharge a common barge.

Post completion of above project the cargo handling capacity is envisaged to increase from 16 MTPA to 34 MTPA.

JSW Paradip Terminal Private Limited

Location	Paradip, Orissa
Target Capacity	18.0 MTPA
CoD	Project Under Construction
Concession Period	30 years, (till 2045)
Infrastructure	Berth Length: 370 M
Key Cargo	Iron ore, Pellet exports

JSW Paradip Terminal Private Limited, is a SPV incorporated to develop new iron ore berths for handling iron ore export at Paradip. The said project shall be developed on BOT basis and is under construction. The total capacity of the terminal would be 18 MTPA.

Paradip East Quay Coal Terminal Private Limited

Location	Paradip, Orissa
Target Capacity	30.0 MTPA
CoD	Project Under Conception/Design Stage
Concession Period	30 years, (till 2046)
Infrastructure	Berth Length: 686 M
Key Cargo	Coal Exports

During the year, JSWIL has secured the bid for redevelopment of the existing EQ 1, EQ 2 and EQ 3 terminals at Paradip to handle coal exports. Accordingly, Paradip East Quay Coal Terminal Private Limited, a SPV has been incorporated. The said project shall be developed on BOT basis and is under construction. The total length of the berth is 686 meters having draft of 12 meters and capable to handle panamax size of vessels. The terminal when developed would have a capacity of 30 MTPA.

Jaigarh Digni Rail Limited

Jaigarh Digni Rail Limited, a SPV has been incorporated to develop a 33.7-kilometer new railway line to connect Jaigarh port to the new Digni station on Konkan Railway network through PPP route. In this SPV, JSW Jaigarh Port is investing 63% equity, Konkan Railway Corporation Limited 26% equity, and Government of Maharashtra through Maharashtra Maritime Board is investing 11% equity. This rail corridor can handle 20 trains each way per day.

JSW Middle East Terminals FZE

During the fiscal year, JSWIL entered into an agreement with Port of Fujairah (POF) for operation and maintenance of entire bulk handling system of ship loaders and conveying system for loading of cargo at berths number 5 and 6 at Fujairah Sea Port. The agreement is for a tenor of 5 years, further renewable at mutual consent. The approximately AED 7 million outlay for major repair of conveying system and dust control system has been submitted by POF and it shall ensure, cargo availability at stack yard, cargo feeding into the conveyor at the required rate, and availability of vessels.

With this, the Company has taken its first step toward exploring the international markets.

Other Business Development Initiatives

The Company has plans to grow its business organically and inorganically. Incremental investments are committed for handling third party cargo, addressing connectivity issues and enhancing port's capability to accommodate large ships at the port.

JSW Nandgaon Port Private Limited is being developed as a captive jetty. The port is located 110 kilometer north of Mumbai. The proposed captive facility will have capability to handle bulk container, LNG, chemical and other cargos. The capacity of the port would be 17 MTPA when developed.

Additionally, the Company is evaluating various greenfield projects in India and abroad for organic as well as inorganic growth.

The main cargo handled at the ports are bulk and liquid cargo. The Company's port services include marine,

handling intra-port transport, storage, other value-added and evacuation services for a diverse range of customers, primarily terminal operators, shipping lines and agents, exporters, importers and other port users. This helps the Company to diversify its income sources, eliminate revenue leakage, reduce financial risk and compete more effectively. Consequently, the Company's cargo and service mix has a significant impact on its results of operations.

Financial Performance: Consolidated Results

The Company's consolidated financial statement includes the financial performance of the following subsidiaries/step-down subsidiaries:

- JSW Jaigarh Port Limited
- South West Port Limited
- JSW Dharamtar Port Private Limited
- JSW Middle East Terminals FZE
- Dhamankhol Fintrade Private Limited
- Masad Marine Services Private Limited
- Nalwa Fintrade Private Limited
- JSW Jaigarh Infrastructure Development Private Limited
- JSW Nandgaon Port Private Limited
- JSW Shipyard Private Limited
- JSW Terminal (Mormugao) Private Limited
- Vanity Fintrade Private Limited
- Jaigarh Digni Rail Limited
- JSW Salav Port Private Limited
- Paradip Port Terminal Private Limited

Synopsis of the stand-alone financials

The stand-alone revenues were down by 20% during this fiscal, to ₹ 2,470 Million mainly due to amendment in the business model at Dharamtar Port. Expenditure for operation was at ₹ 598 Million. The Earnings before interest, tax, depreciation and amortization (EBITDA) reduced by 26% to ₹ 1,872 Million.

Synopsis of the consolidated financials

Consolidated revenue grew by 26% during the fiscal, to ₹ 9,464 Million. Consolidated Expenditure for

operation was at ₹ 3,080 Million including provision for new ESOP scheme launch during current financial year. The EBITDA increased by 25% to ₹ 6,384 Million. The Profit Earned Before Tax grew by 44% to ₹ 3,956 Million as against ₹ 2,745 Million.

Synopsis of the subsidiaries' financials

JSW Jaigarh Port Ltd (JPL)

During the fiscal, JPL handled 9.83 Million Metric Ton (MMT) of cargo as against 8.27 MMT in the last fiscal, a increase of 19%. The port revenues grew by 30% during the fiscal, to ₹ 4,703 Million as against ₹ 3,612 Million over the previous fiscal. The Profit earned before tax grew by 57% to ₹ 1,749 Million as against ₹ 1,117 Million in the previous fiscal.

South West Port Limited-Goa (SWPL)

During the fiscal, SWPL handled cargo of 11.77 MMT as against 11.03 MMT cargo in the previous fiscal, an increase of 7%. The terminal revenues were at ₹3,207 Million as against the ₹2,582 Million in the previous fiscal, an increase of 24%. The Profit earned before tax grew by 53% to ₹ 781 Million as against ₹ 510 Million in the previous fiscal.

JSW Dharamtar Port Private Limited-Dolvi (DPPL)

During the fiscal, DPPL handled cargo of 10.04 MMT as against 5.93 MMT cargo in the previous fiscal, an increase of 69%. The Total Revenue was at ₹ 1252 Million as against ₹ 196 Million in the previous fiscal, an increase of 540%. The Profit earned before tax grew by 362% to ₹ 789 Million as against ₹ 22 Million in the previous fiscal. Increase in revenue and profit earned before tax is due to amendment in the business model through change in revenue arrangement with JSW Steel Limited.

Other subsidiaries saw no major revenue impact on consolidated basis.

Consolidated Financial Statements

The financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) under the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Human Resource Development

JSW Group creates value for its employees, by ensuring their prosperity as the organisation grows. Specifically, it creates employee value through continuous learning, structured career progression opportunities, and an industry-leading employee value proposition. The employee strength as on 31st March, 2017 is 181.

The Company provides a conducive work environment which motivates employees to put in their best efforts to achieve our ambitious targets and growth plans. Their talent and commitment fuel our vision to handle more than 200 MMT by the year 2020.

The Company has been working towards institutionalising a performance-oriented culture. The entire HR system, including recruitment, performance management, and reward and recognition, has been aligned with the business objectives. Key management personnel at the project sites are being evaluated on uniform parameters linked to organisational priorities. Similarly, key personnel at the corporate office have been given an organisation target in addition to their functional objectives.

During the year, JSW Infrastructure was awarded 'Time Ascent and World HRD congress Talent Management'.

Corporate Social Responsibility

JSW Infrastructure is conducting various CSR initiatives through JSW Foundation. It is an independent institution monitored by the Board of Trustees. The Foundation undertakes various initiatives and activities in the areas of Education, Health, Livelihood and Empowerment, Sports, Arts, Culture and Heritage.

Risk Management

JSW Infrastructure follows the Enterprise Risk Management framework set up by Committee of Sponsoring Organisations (COSO) to proactively anticipate, discuss, prioritise and respond to risks and opportunities affecting business objectives for resilience.

The framework helps in timely identification, communication and assessment of risks and opportunities. The framework comprehensively tracks the risks, assess their possible impact and encourages proactive action through well-defined procedures and responsibilities.

Slowdown in Global trade

Post financial crisis, there has been a covert and overt increase in restrictive trade policies. This may result in a backlash from the exporting nations, reducing the intensity of global trade.

Mitigation Plan: The various operating subsidiaries have entered into a long-term agreement with key customers which mitigates demand risk to a certain extent.

Growing competition

Sharp increase in competition or drop in demand can impact the utilisation and thereby, viability of the ports.

Mitigation Plan: JSW Infrastructure one of the most cost competitive players in the industry. JSW Infrastructure's ports are strategically located near the demand hubs. In addition, through high level of mechanisation, company ensure a high level of productivity, low transaction cost and fast turnaround time.

Internal Control System and Audit

A robust system of internal control and audit, commensurate with the size and nature of its business, forms an integral part of the Company's corporate governance policies. Internal control systems are an integral part of JSWIL's corporate governance structure. A well-established multidisciplinary Management Audit & Assurance Services consists of professionally qualified accountants, engineers and SAP experienced executives. They carry out extensive audits throughout the year, across all functional areas, and submit their reports to Management and Audit Committee about the compliance with internal controls and efficiency and effectiveness of operation, and key processes and risks. Some significant features of the internal control systems are:

- Adequate documentation of policies, guidelines, authority and approval procedures covering all the important functions of the Company
- Deployment of an ERP system which covers most of its operations and is supported by a defined on-line authorisation protocol
- Ensuring complete compliance with laws, regulations, standards and internal procedures and systems
- De-risking the Company's assets and resources as well as protecting them from any loss
- Ensuring the integrity of the accounting systems; the proper and authorised recording and reporting of all transactions
- Preparation and monitoring of annual budgets for all operating and services' functions
- Ensuring reliability of all financial and operational information
- The Audit Committee of the Board of Directors, where Independent Directors comprise the majority, regularly reviews audit plans, significant audit findings, adequacy of internal controls and compliance with Accounting Standards
- A comprehensive Information Security Policy and continuous updation of IT Systems

The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliances as well as an enhanced control consciousness.

Internal audit

JSW Infra has an internal audit function that inculcates global best standards and practices of international majors into the Indian operations. The Company has a internal audit department reporting to the Audit Committee comprising majority Independent Directors who are experts in their respective fields. The Company successfully integrated the COSO framework with its audit process to enhance the quality of its financial reporting, compatible with business ethics, effective controls and governance.

The Company extensively practices delegation of authority across its team, which creates effective checks and balances within the system to arrest all possible gaps within the system. The internal audit team has access to all information in the organisation which has been largely facilitated by the ERP implementation across the organisation.

Audit plan and execution

The Internal Audit department prepares a risk-based Audit Plan and the frequency of audit is decided based on the risk ratings of the respective areas/functions. The Audit plan is approved by the Audit Committee and executed by the internal team. It is reviewed periodically to include areas which have assumed

significance in line with the emerging industry trends and the growth plans of the Company. In addition, the Audit Committee also places reliance on internal customer feedback and other external events for inclusion of additional areas into the audit plan.

Forward looking and cautionary statements

In this Annual Report we have disclosed forward looking information to enable the investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Report on Corporate Governance

1. COMPANY'S GOVERNANCE PHILOSOPHY

The Company believes that it is imperative to manage the business affairs in the most fair and transparent manner with a firm commitment to corporate values. Good governance practices stem from the value system and philosophy of the organization, and the company is committed to meet the aspirations of all our stakeholders. For us, corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is demonstrated in shareholder returns, high credit ratings, governance processes and performance with conducive work environment. Corporate Governance is concerned with holding the balance between economic and social goals and between individual and communal goals. Corporate governance is about the way we do the business, encompassing every day activities. The Company believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders. The Company seeks to focus on enhancement of long-term value creation for all stakeholders without compromising on integrity, social obligations, environment and regulatory compliances. The Company will focus its energies and resources in creating and safeguarding of shareholders' wealth and, at the same time, protect the interests of all its stakeholders. The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a mix of experts of eminence and integrity, forming a core group of top level executives, including competent professionals across the organization and putting in place best systems, process and technology.

2. BOARD OF DIRECTORS

2.1 Appointment and Tenure

The Directors of the Company are appointed by the Shareholders at General Meetings.

All Directors except Jt. Managing Director/ Independent Directors are subject to Company's Articles of Association/ Companies Act, 2013, liable to retirement by rotation and at every Annual General Meeting 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of Sections 152 and 160 of the Companies Act, 2013 and that of the Articles of Association of the Company. The Executive Director on the Board serves in accordance with the terms of their contract of service with the Company.

2.2 Composition, Meetings and attendance record of each Director

The Company has a balanced mix of Executive and Non-Executive Directors as at March 31, 2016. The Board of Directors presently comprises of 8 Directors, of which 1 is Executive Director, 4 are Non-Executive Non-Independent Directors and 3 are Independent Directors. The composition of the Board is in conformity with Companies Act, 2013. All Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

None of the Directors are related to any other Director on the Board in terms of the definition of "relative" given under the Companies Act, 2013. The necessary disclosures regarding Committee positions have been made by the Directors.

The details of composition of the Board as on date, the attendance record of the Directors at the Board Meetings held during the financial year ended on March 31, 2017 and the last Annual General Meeting (AGM), and the details of their other Directorships are given below:

Category	Name of Director	Position	Attendance at		Other Directorships
			Board Meetings	10th AGM held on July 22, 2016	Indian Companies
Executive	Capt. BVJK Sharma (DIN: 00017758)	Jt. Managing Director and CEO	5	Yes	4
	Mr. Kalyan Coommar Jena (DIN: 02989575)	Director	5	Yes	2
Independent Director	Ms. Ameeta Chatterjee (DIN: 03010772)	Director	5	Yes	9
	Mr. Arun Bongirwar (DIN: 00046738)	Director	5	Yes	5
	Mr. Nirmal Kumar Jain (DIN: 00019442)	Director	5	Yes	10
Non-Executive Non-Independent	Mr. Pawan Kumar Kedia (DIN: 00020570)	Director	2	Yes	1
	Mr. Kantilal Narandas Patel (DIN: 00019414)	Director	4	Yes	12
	Ms. Tarini Jindal Handa ³ (DIN: 00506432)	Director	1	No	7

Notes.

- During the Financial Year 2016-2017, Five Board Meetings were held and the gap between two meetings did not exceed 120 days. Board meetings were held on April 28, 2016, July 22, 2016, November 15, 2016, January 18, 2017 and March 30, 2017.
- Directorship in private companies, foreign companies and section 8 Companies are included.
- Ms. Tarini Jindal Handa was appointed with effect from June 30, 2016.

2.3 Board Meetings, Board Committee Meetings and Procedures

A. Institutionalized decision making process

The Board of Directors oversees the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served. The Jt. Managing Director is in overseeing the functional matters of the Company. The Board has constituted several Standing Committees such as Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Finance

Committee, and Compensation Committee. The Board constitutes additional functional Committees from time to time depending on the business needs.

B. Scheduling and selection of Agenda Items for Board Meetings

- A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary to address the specific needs of

the Company. In case of business exigencies or urgency of matters, and where possible, resolutions are passed by circulation.

- (ii) The meetings are usually held at the Company's Registered Office at JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai - 400051.
- (iii) All divisions/departments of the Company are advised to schedule their work plans well in advance, particularly with regard to matters requiring discussion/ approval/ decision at the Board/Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board / Committee meetings. In addition to items which are mandated to be placed before the Board for its noting and/or approval, information is provided on various significant items.
- (iv) The Board is given presentations covering Economic Outlook, Company's Financials, Company's Performance, Business Strategy, Subsidiary Companies performance, the Risk Management practices, etc. before taking on record the quarterly/half yearly/annual financial results of the Company.

C. Distribution of Board Agenda Material

Agenda setting out the business to be transacted the board meeting and Notes on Agenda are circulated to the Directors, at least 7 days before the meeting as required under Secretarial Standard (SS-1) issued by the Institute of Company Secretaries of India which came in to effect from July 1, 2015. In the defined Agenda format. All material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or

supplementary item(s) on the Agenda are considered. Secretarial Standard has Your Company has complied with the provision of secretarial standard-1 (SS -1) pertaining to distribution of Board Agenda and Board Agenda material.

D. Recording Minutes of proceedings at Board and Committee Meetings

The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. Draft minutes of the current meeting as well as signed minutes of the previous meeting are circulated to all the members of the Board/Committee within 15 days of the Board/Committee meeting for their comments as required under Secretarial Standard (SS-1) issued by the Institute of Company Secretaries of India which came in to effect from July 1, 2015. The final minutes are entered in the Minutes Book within 30 days from conclusion of the meeting and are signed by the Chairman of the meeting/Chairman of the next meeting.

E. Post Meeting Follow-up Mechanism

The Company has an effective post meeting follow-up, review and reporting process mechanism for the decisions taken by the Board/ Committees. Important decisions taken at the Board/Committee meetings are communicated to the concerned Functional Heads promptly. Action Taken Report on decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Committee for noting by the Board/Committee members.

F. Compliance

While preparing the Agenda, Notes on Agenda, Minutes etc. of the meeting(s), adequate care is taken to ensure adherence to all applicable laws and regulations including the Companies Act, 2013 read with the Rules made there under.

G. Separate Meeting Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, the Independent Directors of the Company held one meeting during the year on March 30,

2017, without the presence / attendance of non-independent directors and members of the Management. All three Independent Directors were present for this meeting.

3 AUDIT COMMITTEE

The Audit Committee comprises of three Directors, all are Non-Executive Directors. Ms. Ameeta Chatterjee is the Chairperson of

the Audit Committee. The Members possess adequate knowledge of Accounts, Audit, Finance, etc.

The broad terms of reference of Audit Committee are to review the financial statements before submission to the Board, reports of the Auditors and Internal Auditor. In addition, the powers and role of the Audit Committee are as laid down under Section 177 of the Companies Act, 2013.

The Composition of the Committee and detail of the meetings attended during the year by the Directors are as given below.

Sr. No.	Name of Members	Category	Designation	No. of Meeting Attended
1.	Ms. Ameeta Chatterjee	Independent	Chairperson	4
2.	Mr. N K Jain	Non-Executive	Member	4
3.	Mr. K C Jena	Independent	Member	4

The Audit Committee met Four times during the year under review on following dates.

Sr. No.	Date	Committee Strength	No. of Member Present
1.	April 28, 2016	3	3
2.	July 22, 2016	3	3
3.	November 15, 2016	3	3
4.	January 17, 2017	3	3

The Audit Committee invites executives, as it considers appropriate (and particularly the head of the finance function) to be present in its meetings. The Statutory Auditors are also invited to the meetings. The Company Secretary is the Secretary of the Audit Committee.

4 NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of Mr. K C Jena, Mr. N K Jain and Ms. Ameeta Chatterjee, Directors. The Committee met once during the year on March 30, 2017. Mr. K C Jena is the Chairman of Committee. The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013.

Meeting Details:

The Composition of Committee and details of the meeting attended by the Committee Members are as given below:

Sr. No.	Name of Members	Category	Designation	No. of Meeting Attended
1.	Mr. K C Jena	Independent	Chairman	1
2.	Mr. N K Jain	Non-Executive	Member	1
3.	Ms. Ameeta Chatterjee	Independent	Member	1

Terms of reference of the Committee, interalia, includes the following:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
2. To recommend to the Board their appointment and removal;
3. To carry out evaluation of every director's performance;

4. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
5. To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; and
6. any other matter as the Nomination & Remuneration Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

4.1 Remuneration Policy:

A. Non-Executive Directors (NEDs):

During the year, the Company paid sitting fees of ₹ 20,000/- per meeting to the NEDs (not associated with JSW Group) for attending meetings of the Board and Committee.

B. Executive Directors:

The Nomination and Remuneration Committee recommends the remuneration package for the Executive Directors (EDs) of the Board. In framing the remuneration policy, the Committee takes into consideration the remuneration practices of Companies of similar size and stature and the Industry Standards. Annual increments effective 1st April each year as recommended by the Remuneration Committee are placed before the Board for approval. The ceiling on Salary and Perquisites & allowances is approved by the Shareholders, within which the salary and perquisites & allowances is recommended by the Remuneration Committee and approved by the Board. The Directors' compensation is based on the appraisal system wherein their individual goals are linked to the organizational goals. EDs are paid, subject to the approval of the Board and of the Company in General Meeting as may be required/ necessary, compensation as per the appointment terms/ agreements entered into between them and the Company. The present remuneration structure of EDs comprises of salary, perquisites, allowances, performance

linked incentive/special pay, ESOPs and contributions to Provident Fund & Gratuity.

C. Management Staff:

Remuneration of employees largely consists of basic remuneration, perquisites, allowances, ESOPs and performance incentives. The components of the total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employees, responsibilities handled by them, their annual performance, etc. For the last few years, efforts have also been made to link the annual variable pay of employees with the performance of the Company. The variable pay policy links the performance pay of the officers with their individual and overall organizational performance on parameters aligned to Company's objectives whereas Variable Production Incentive Bonus is linked to the respective Plant's parameters.

4.2 Details of Remuneration paid to Directors:

A. Payment to Non-Executive

Directors:

The sitting fees paid to Non-Executive Directors (NEDs) for attending Board/ Committee Meetings, during the year is as under:

(Amount in ₹)

Name of the Non-Executive Director	Sitting fees Paid
Mr. Nirmal Kumar Jain	2,80,000
Mr. Kalyan Coomar Jena	2,80,000
Ms. Ameeta Chatterjee	2,80,000
Mr. Arun Bongirwar	1,00,000
Total	9,40,000

A. OTHER COMMITTEES OF THE BOARD OF DIRECTORS

In addition to the above referred Committees, the Board has constituted Finance Committee, Corporate Social Responsibility Committee, etc. to consider various business matters and delegated thereto powers and responsibilities with respect to specific purposes.

B. SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES) – DEBT LISTED

The number of complaints received/pending/resolved during the year under review and their break-up is as under:

Sr. No.	Particular	Number
1.	Investors complaints pending at the beginning of the year (as on April 01, 2016)	NIL
2.	Investors complaints received during the year (from April 01, 2016 to March 31, 2017)	NIL
3.	Investors complaints disposed off during the year (from April 01, 2016 to March 31, 2017)	NIL
4.	Investors complaints remaining unresolved at the end of the year (as on March 31, 2017)	NIL

C. COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Gazal Qureshi, Company Secretary is the Compliance Officer for complying with the requirements of Companies Act, 2013 and the Listing Regulations (debt listed).

D. LISTING AGREEMENT

The New Listing Agreement for Debt Securities as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been entered into between JSW Infrastructure Limited and BSE Limited on February 16, 2016.

5 ANNUAL GENERAL MEETINGS**Annual General Meetings.**

The details of date, time and location of Annual General Meetings (AGM) held in last 3 years are as under.

AGM	Date	Time	Location	Special Resolution passed
10th	July 22, 2016	11.00 am	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai 400051	No special Resolution was passed at this AGM
9th	August 31, 2015	11.00 am	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai 400051	Three special resolution was passed at this AGM
8th	August 26, 2014	11.00 am	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai 400051	One special Resolution was passed at this AGM

Details of Special Resolutions passed in the previous three AGM/EGMs:

AGM / EGM	Particulars of Special Resolutions passed thereat
EGM dated March 28, 2016	<ol style="list-style-type: none"> Approval of JSW Infrastructure Limited Employees Stock Ownership Plan-2016 and Grant of stock options to eligible employees. Approvals to grant stock options to the eligible employees of the Company's subsidiary companies under the JSW Infrastructure Limited Employees Stock Ownership Plan-2016 Approval for provision of money by the company for purchase of its own shares by the Trust/ Trustee for the benefit of eligible employees under the "JSW Infrastructure Limited Employees Stock Ownership Plan-2016" (herein referred to as the "ESOP Scheme")
9th AGM dated August 31, 2015	<ol style="list-style-type: none"> Appointment of Mrs. Ameeta Chatterjee as an Independent Director Appointment of Mr. Arun Bongirwar as an Independent Director Appointment of Capt. BVJK Sharma JMD & CEO of the company to hold the office or place of profit as president in South West Port Limited (Step-down Subsidiary)
EGM dated December 18, 2014	<ol style="list-style-type: none"> Alteration of Articles of Associations.

6 DISCLOSURES

- 6.1** There were no materially significant related party transactions i.e. transaction of the Company of material nature with its Promoters, Directors or the Management, their Subsidiaries or relatives etc. that conflict with the interests of the Company.
- 6.2** No penalties have been imposed on the Company by any statutory authority.
- 6.3** The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.

7 SUBSIDIARY COMPANIES MONITORING FRAMEWORK

All the Subsidiary Companies of the Company are Board managed with their Boards having the rights and obligations to manage such Companies in the best interest of their stakeholders. The Company monitors the performance of subsidiary Companies, inter alia, by the following means.

- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary Companies is placed before the Company's Board.
- Subsidiary Company's Financials are also tabled before the Company's Board on half yearly basis.

8 COMMUNICATION

Annual Report, inter alia containing Audited Consolidated Financial Statements and Standalone Statements, Directors' Report, Annexures forming part of Directors' Report,

Corporate Governance Report, Auditors' Report and other important information is sent to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.

9 GENERAL SHAREHOLDERS INFORMATION

9.1 Annual General Meeting

Date and Time: August 01, 2017 at 11.30 a.m.
Venue: JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai - 400051.

9.2 Listing on Stock Exchanges

The privately placed Secured Redeemable Non-Convertible Debentures (NCDs) issued by the Company are listed on the Bombay Stock Exchange Limited (BSE) details of which is as follows:

INE880J07049 – 4000, 11.90% NCDs of ₹ 10 Lakhs each

9.3 Debenture Trustee

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001
Ph. – 022-4080 7000
Fax – 022-6631 1776

9.4 Registrar & Share Transfer Agents

Karvy Computershare Private Limited
Karvy Selenium, Tower- B, Plot No. 31 & 32.,
Financial district, Nanakramguda,
Serilingampally Mandal, Hyderabad, 500032
Tel : 040-33211500, Fax : 040-23001153

9.5 Shareholding pattern

Category	As on March 31, 2017		As on March 31, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Bodies Corporate (along with nominees)	56066500	98.63	56066500	98.63
Trust (shares held in the name of Trustees)	530214	0.93	532298	0.93
Individual	250918	0.44	248834	0.44
Total	56847632	100.00	56847632	100.00

10 CORPORATE ETHICS

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings. A Code of Conduct for Board Members and Senior Management detailed below has been adopted by the Company.

A. Code of Conduct for Board Members and Senior Management

The Board of Directors of the Company adopted the Code of Conduct for its members and Senior Management. The Code is applicable to all Directors and specified Senior Management Executives. The Code impresses upon Directors and Senior Management Executives to uphold the interest of the Company and its stakeholders and to endeavor to fulfill all the fiduciary obligations towards them.

Another important principle on which the Code is based is that the Directors and Senior Management Executives shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties.

Declaration affirming compliance of Code of Conduct.

The Company has received confirmations from the Directors as well as Senior Management Executives regarding compliance of the Code of Conduct during the year under review. A declaration by the JMD & CEO affirming compliance of Board Members and Senior Management.

B. Code of Conduct to regulate, monitor and report Trading by Insiders:

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended (the Regulations), the Board of the Directors of the Company has adopted the Code of Conduct to regulate, monitor and report Trading by Insiders (the "Code") for prevention of Insider Trading. The Code lays down guidelines and procedures to be followed and disclosures to be made by Insiders, Connected Person, Directors, Promoters, Key Managerial Personnel, Top level executives and certain staff whilst dealing in shares. The Code contains regulations for preservation of unpublished price sensitive information, pre-clearance of trade and monitoring and implementation of the Code. The Company Secretary has been appointed as the Compliance Officer and is responsible for adherence to the Code.

C. Whistle Blower Policy (WBP):

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Code of Conduct, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The

WBP specifies the procedure and reporting authority for reporting unethical behaviour, actual or suspected fraud or violation of the Code or any other unethical or improper activity including misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements. The Company affirms that no employee has been denied access to the Ethics Counsellor.

D. Legal Compliance of the Company's Subsidiaries:

Periodical Audit ensures that the Company's Subsidiaries conducts its business with high standards of legal, statutory and regulatory compliances. As per the Compliance reports of the Management, there has been no material non-compliance with the applicable statutory requirements by the Company and its Subsidiaries.

11 OTHER SHAREHOLDER INFORMATION

A. Corporate Identity Number (CIN)

The CIN allotted to the Company by the Ministry of Corporate Affairs, Government of India is U45200MH2006PLC161268

B. Registered Office

JSW Centre, Bandra Kurla Complex,
Bandra East, Mumbai - 400051.
Ph: 022-4286 1000
Fax: 022-4286 3000

C. Plant Address:

- 1st Floor, Port Users Complex, Mormugao Harbour, Goa 403 803
- 24, Kumbiwadi Niandiwadi, Jaigarh, Ratanagri, Maharashtra 415 614
- Dharamatar, P O Dolvi, Taluka - PEN District- Raigarh, Maharashtra 402 107
- 4th Floor, Paradip Bhavan, Behind Paradip Port Trust Building, Paradip, Orissa 754 142

Independent Auditors' Report

To the Members of

JSW INFRASTRUCTURE LIMITED

Report on the standalone Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **JSW INFRASTRUCTURE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the financial position of the Company as at 31st March, 2017 and its profit, its cash flows and the changes in equity for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the Internal financial controls over financial reporting of the Company and operative effectiveness of such controls, refer to our separate report in **"Annexure B"**, our report expresses an unmodified opinion on the adequacy and operative effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts on which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes as envisaged in notification G.S.R 308 (E) during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 44.

For **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No.: 109574W

Vipul K. Choksi
Partner
M.No.: 37606

Place : Mumbai
Date : May 16, 2017

Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year by the management. According to the information and explanation given to us no material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- iii. The Company has granted loans to bodies corporate covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - (b) In the case of the loans granted to the bodies listed in the register maintained under Section 189 of the Act, the borrowers have been regular in the payment of the principal amount and interest as stipulated.
- (c) There are no overdue amounts for more than ninety days in respect of the loan granted to a bodies corporate listed in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by Reserve Bank of India and the provision of Sections 73 to 76 or any other relevant provision of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-Tax, Sales Tax, Value Added Tax, Duty of Customs, Duty of Excise, Service Tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues which were in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of Provident Fund, Income-Tax, Sales Tax, Value Added Tax, Duty of

Excise, Duty of Customs, Service Tax, Cess and other material statutory dues which have not been deposited on account of any dispute other than those indicated below:

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Assessment Year	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Liabilities	520.20	2010-11	Commissioner of Income Tax (Appeals)
		29.50	2011-12	
		46.10	2012-13	
		1,355.83	2013-14	
		1,775.77	2014-15	Assessing Officer

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in the repayment of loans or borrowings to financial institutions, banks and Government and dues to debenture holder.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of clause 3(ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employee has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Managing Director of the Company is holding place of profit in the Subsidiary Company and remuneration is paid to him by the Subsidiary Company. However the Company has not paid/provided for any managerial remuneration during the year in accordance with the provisions of section 197 read with Schedule V of the Act. Accordingly, the provision of clause 3(xi) of the Order is not applicable.
- xii. According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, the provision of clause 3(xii) of the Order is not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of clause 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and hence provisions of Section 192 of the Act, are not applicable. Accordingly, the provision of clause 3(xv) of the Order is not applicable to the company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provision of clause 3(xvi) of the Order is not applicable to the Company.

For **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No.: 109574W

Vipul K. Choksi
Partner
M.No.: 37606

Place : Mumbai
Date : May 16, 2017

Annexure B to the Independent Auditors' Report

Report on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **JSW INFRASTRUCTURE LIMITED** ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (The "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and

their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control

over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **SHAH GUPTA & CO.**

Chartered Accountants

Firm Registration No.: 109574W

Vipul K. Choksi

Partner

M.No.: 37606

Place : Mumbai

Date : May 16, 2017

Balance Sheet

as at 31 March, 2017

	Note no.	As at 31st March, 2017	As at 31st March, 2016	(₹ in Lakhs) As at 1st April, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	2	9,387.74	9,526.31	9,776.28
Goodwill	3	15,419.32	22,467.06	30,068.48
Other Intangible Assets	3	10.43	18.53	7.31
Financial Assets				
Investments	4	47,514.53	46,520.66	46,426.16
Loans	5	320.62	1,871.53	374.18
Other financial assets	6	5,952.32	9,244.94	12,054.91
Deferred Tax Assets	7	1,238.74	2,424.86	2,611.62
Other Non-Current Assets	8	354.08	351.44	709.98
Total Non-Current Assets		80,197.78	92,425.32	102,028.92
Current Assets				
Inventories	9	44.46	29.91	28.63
Financial Assets				
Investments	10	2,470.72	3,106.00	188.00
Trade receivables	11	11,359.51	9,381.96	5,228.29
Cash and cash equivalents	12	386.54	1,773.72	327.67
Bank balances other than cash and cash equivalents	13	2,652.36	2,144.88	1,637.57
Loans	14	4,612.83	213.51	1,757.63
Other financial assets	15	181.14	114.35	74.65
Current Tax Assets (Net)	7	1,438.95	-	-
Other Current Assets	16	4,320.75	3,714.95	4,315.91
Total Current Assets		27,467.26	20,479.27	13,558.35
TOTAL ASSETS		107,665.04	112,904.59	115,587.27
Equity and Liabilities				
Equity				
Equity Share Capital	17	5,684.76	5,684.76	5,684.76
Other Equity	18	68,353.34	60,797.87	51,697.93
Total Equity		74,038.10	66,482.63	57,382.69
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	19	17,494.44	31,703.29	44,110.60
Other financial liabilities	20	11.14	11.57	39.21
Provisions	21	63.38	64.67	57.81
Total Non-Current Liabilities		17,568.96	31,779.53	44,207.62
Current Liabilities				
Financial Liabilities				
Borrowings	22	14,424.00	12,780.00	11,004.00
Trade payables	23	556.90	699.47	1,541.86
Other financial liabilities	24	934.91	1,045.14	633.24
Other Current Liabilities	25	142.17	56.32	230.88
Current Tax Liabilities (Net)	7	-	61.50	586.98
Total Current Liabilities		16,057.98	14,642.43	13,996.96
TOTAL EQUITY AND LIABILITIES		107,665.04	112,904.59	115,587.27
Significant accounting policies and key accounting estimates and judgements	1			

The accompanying notes form an integral part of financial statements.

As per our attached report of even date

For **Shah Gupta & Co.**

Chartered Accountants

Firm Registration No: 109574W

For and on behalf of the Board of Directors

N K Jain

Chairman

DIN : 00019442

Capt. BVJK Sharma

JMD & CEO

DIN : 00017758

Vipul K Choksi

Partner

M.No. 37606

Date : 16th May, 2017

Place : Mumbai

Lalit Singhvi

CFO-Sr VP Finance & Commercial

Gazal Qureshi

Company Secretary

M No. A16843

Statement of Profit and Loss

for the year ended 31 March, 2017

	Note no.	For the year ended 31st March, 2017	(₹ in Lakhs) For the year ended 31st March, 2016
INCOME			
Revenue From Operations	26	22,591.60	29,245.45
Other Income	27	2,104.79	1,576.61
Total Income (1)		24,696.39	30,822.06
EXPENSES			
Operating Expenses	28	3,472.27	3,488.83
Employee Benefit Expense	29	1,763.61	1,422.16
Finance Costs	30	4,668.63	6,169.36
Depreciation and Amortisation Expense	31	166.38	282.62
Impairment of Goodwill		7,047.74	7,601.42
Other Expenses	32	744.20	584.43
Total Expenses (2)		17,862.83	19,548.82
Profit Before Tax (1-2)		6,833.56	11,273.24
Tax Expenses			
Current Tax	7	-	1,418.48
Deferred Tax	7	1,183.42	184.34
Profit for the year (3)		5,650.14	9,670.42
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of Employee benefit expenses		(2.32)	7.00
Income tax relating to items that will not be reclassified to profit or loss		0.80	(2.42)
Total Other Comprehensive Income / (Loss) for the year (4)		(1.52)	4.58
Total Comprehensive Income for the year (3+4)		5,648.62	9,675.00
Earnings per equity share			
(Face value of equity share of ₹ 10 each)			
Basic (₹)		9.94	17.01
Diluted (₹)		9.91	16.93
Significant accounting policies and key accounting estimates and judgements	1		

The accompanying notes form an integral part of financial statements.

As per our attached report of even date

For **Shah Gupta & Co.**

Chartered Accountants

Firm Registration No: 109574W

For and on behalf of the Board of Directors

N K Jain

Chairman

DIN : 00019442

Capt. BVJK Sharma

JMD & CEO

DIN : 00017758

Vipul K Choksi

Partner

M.No. 37606

Date : 16th May, 2017

Place : Mumbai

Lalit Singhvi

CFO-Sr VP Finance & Commercial

Gazal Qureshi

Company Secretary

M No. A16843

Statement of Cash Flows

for the year ended 31st March, 2017

		(₹ in Lakhs)
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
[A] Cash Flows from Operating Activities		
Profit before tax	6,833.56	11,273.24
Adjustments for:		
Depreciation and amortisation expense	166.38	207.64
Impairment of Goodwill	7,047.74	7,601.42
Finance costs	4,668.63	6,169.36
Interest income	(331.57)	(168.60)
Interest income using effective interest rate	(1,507.39)	(1,053.83)
Profit on sale of investments (net)	(218.26)	(43.96)
Profit on sale of fixed assets (net)	-	11.52
	16,659.09	23,996.79
Operating profit before working capital changes		
Adjustments for:		
(Increase) / Decrease in trade and other receivables	(2,173.41)	85.91
(Increase) / Decrease in inventories	(14.55)	(1.28)
Increase / (Decrease) in trade and other payables	1,187.51	(2,401.71)
Increase / (Decrease) in provisions	1.03	13.86
	(999.41)	(2,303.22)
Cash generated from operations	15,659.68	21,693.57
Direct taxes paid (net of refunds)	(945.00)	(750.00)
Net cash generated from operating activities [A]	14,714.68	20,943.57
[B] Cash Flows from Investing Activities		
Inflows		
Sale of property, plant and equipment	-	19.62
Sale of current investments	30,598.57	22,895.99
Interest received	331.57	168.60
	30,930.14	23,084.21
Outflows		
Purchase of property, plant and equipment and intangible assets	24.34	-
Purchase of investments (net)	29,745.02	25,770.03
Investments made in subsidiaries	29.18	11.00
	29,798.54	25,781.03
Net Cash generated from investing activities [B]	1,131.60	(2,696.82)
[C] Cash Flows from Financing Activities		
Outflows		
Repayments of long-term borrowings	12,991.11	10,923.00
Interest paid	4,242.35	5,877.70
	17,233.46	16,800.70
Net Cash generated from financing activities [C]	(17,233.46)	(16,800.70)
Net Increase in Cash and Bank Balances [A+B+C]	(1,387.18)	1,446.05
Cash and cash equivalents at beginning of the year	1,773.72	327.67
Cash and cash equivalents at end of the year	386.54	1,773.72

The accompanying notes form an integral part of financial statements.

As per our attached report of even date

For **Shah Gupta & Co.**

Chartered Accountants

Firm Registration No: 109574W

For and on behalf of the Board of Directors

N K Jain

Chairman

DIN : 00019442

Capt. BVJK Sharma

JMD & CEO

DIN : 00017758

Vipul K Choksi

Partner

M.No. 37606

Date : 16th May, 2017

Place : Mumbai

Lalit Singhvi

CFO-Sr VP Finance & Commercial

Gazal Qureshi

Company Secretary

M No. A16843

Statement of Changes in Equity

for the year ended 31st March, 2017

A) EQUITY SHARE CAPITAL

	Changes in equity share capital during the year	Balance as at 31st March, 2016
Balance as at 1st April, 2015	-	5,684.76

(₹ in Lakhs)

	Changes in equity share capital during the year	Balance as at 31st March, 2017
Balance as at 31st March, 2016	-	5,684.76

(₹ in Lakhs)

B) OTHER EQUITY

Particulars	Retained Earnings	Capital Reserve	Debt Redemption Reserve	Securities Premium Reserve	Share Options Outstanding	Share Application Money refundable	Total
Balance as at 1st April, 2015	5,402.38	8.94	10,000.00	34,876.62	1,401.05	8.94	51,697.93
Addition/(Deletion) during the year	-	8.94	-	-	(575.06)	(8.94)	(575.06)
Profit for the year	9,670.42	-	-	-	-	-	9,670.42
Other comprehensive income / (loss) for the year							
Remeasurements gains on defined benefit plans	4.58	-	-	-	-	-	4.58
Balance as at 31st March, 2016	15,077.38	17.88	10,000.00	34,876.62	825.99	-	60,797.87

(₹ in Lakhs)

Particulars	Retained Earnings	Capital Reserve	Debt Redemption Reserve	Securities Premium Reserve	Share Options Outstanding	Share Application Money refundable	Total
Balance as at 1st April, 2016	15,077.38	17.88	10,000.00	34,876.62	825.99	-	60,797.88
Addition/(Deletion) during the year	-	-	-	-	1,906.85	-	1,906.85
Profit for the year	5,650.14	-	-	-	-	-	5,650.14
Other comprehensive income / (loss) for the year							
Remeasurements loss on defined benefit plans	(1.52)	-	-	-	-	-	(1.52)
Balance as at 31st March, 2017	20,726.00	17.88	10,000.00	34,876.62	2,732.84	-	68,353.34

(₹ in Lakhs)

As per our attached report of even date
For **Shah Gupta & Co.**
Chartered Accountants
Firm Registration No: 109574W

Vipul K Choksi
Partner
M.No. 37606

Date : 16th May, 2017
Place : Mumbai

For and on behalf of the Board of Directors

N K Jain
Chairman
DIN : 00019442

Capt. BVJK Sharma
JMD & CEO
DIN : 00017758

Lalit Singhvi
CFO-Sr VP Finance & Commercial

Gazal Qureshi
Company Secretary
M No. A16843

Notes to the Financial Statements

for the year ended 31 March, 2017

COMPANY OVERVIEW:

The Company is a public limited company, domiciled in India and incorporated in under the provision of Companies Act applicable in India.

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

1. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1.1 Basis of preparation of Standalone financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) under the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements are the first financial statements of the Company under Ind AS. Refer first time adoption notes for an explanation of how the transition from the previously applicable Indian GAAP (hereinafter referred to as 'IGAAP') to Ind AS has affected the financial position, financial performance and cash flows.

These standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these Standalone financial statements.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 "First-time Adoption of Indian Accounting Standards". The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under

Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Significant Accounting Policies

1. Business Combination

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

In case of business combinations involving entities under common control, the above policy does not apply. Business combinations involving entities under

Notes to the Financial Statements

for the year ended 31 March, 2017

common control are accounted for using the pooling of interest method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonize accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognized as capital reserve under equity.

2. Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed.

Goodwill is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

3. Property, Plant and Equipment

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

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

Assets	Estimated useful lives
Building	5-28 Years
Plant and Machinery	5-15 Years
Office equipment	3-20 Years
Computer equipment	3-6 Years
Furniture and fixtures	5-15 Years
Vehicles	8-10 Years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Freehold land is not depreciated and Leasehold land is amortized over the period of lease.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the Standalone financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Notes to the Financial Statements

for the year ended 31 March, 2017

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Standalone Statement of Profit and Loss when the item is derecognized.

4. Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful lives of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

5. Cash and Cash Equivalents

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

6. Statement of Cash Flow

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

7. Leases

Assets given/taken on lease in which a significant portion of the risks and rewards of ownership are not transferred to the lessee are classified as operating leases. Lease payment/Income made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the Payments/Receipts are structured to increase in line with expected general inflation to compensate for the Company expected inflationary cost increases.

Company as lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance cost in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company general policy on the borrowing costs. Contingent rentals are recognized as expenses in the period in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the assets is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

Notes to the Financial Statements

for the year ended 31 March, 2017

Company as a lessor

Leases in which the Company does not transfer substantially all the risk and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased assets and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

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

8. Fair Value Measurement

The Company measures financial instruments at fair value in accordance with accounting policies at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of asset or a liability is measured using the assumptions that market participants would use in pricing the asset or

liability, assuming that market participant at in their economic best interest.

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

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

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

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

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

9. Financial instruments

Financial instrument is any contract that gives rise to a financial asset of one entity

Notes to the Financial Statements

for the year ended 31 March, 2017

and a financial liability or equity instrument of another entity.

a) Investments and other financial assets:

Classification

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

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

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

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

Initial recognition and measurement

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

Sub-sequent measurement

After initial recognition, financial assets are measured at:

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

Debt instruments:

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

Measured at amortized cost:

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

Measured at fair value through other comprehensive income (FVTOCI):

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

Gains or Losses on De-recognition

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

Notes to the Financial Statements

for the year ended 31 March, 2017

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

Measured at fair value through profit or loss (FVTPL):

A financial asset not classified as either amortized cost or FVTOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Statement of Profit and Loss.

Equity Instruments

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

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

Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivable only, the Company applies the simplified approach permitted by Ind AS - 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

De-recognition:

A financial asset is de-recognized only when

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

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

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

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

Income recognition:

Interest Income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash

Notes to the Financial Statements

for the year ended 31 March, 2017

receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

b) Financial liabilities

Financial liabilities:

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

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

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

De-recognition:

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

Offsetting financial instruments:

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

10. Provisions, Contingent liabilities, Contingent assets and Commitments

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

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

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

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

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an

Notes to the Financial Statements

for the year ended 31 March, 2017

outflow of resources will be required to settle the obligation;

- a present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events, when the probability of outflow of resources is remote.

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

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

11. Earnings per Equity Share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

12. Taxes

Tax expense comprises current and deferred income tax.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax [including Minimum Alternate Tax (MAT)] is measured

at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date.

Current income tax relating to items recognize outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax item are recognized in correlation to the underline transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions where appropriate.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Standalone financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred tax relating to items recognized outside the statement of profit and loss are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Notes to the Financial Statements

for the year ended 31 March, 2017

Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to share premium.

The Company is eligible and claiming tax deduction available under section 80IA of Income Tax Act, 1961 for a period of 10 years w.e.f F.Y. 2010-2011. Some of the subsidiaries are also eligible for tax deduction available under section 80IA of the Income Tax Act, 1961 for a period of 10 year out of eligible period of 15 years. In view of the Company and some of the subsidiaries availing tax deduction under section 80IA of the Income Tax Act, 1961, deferred tax has been recognized in respect of temporary difference, which reverses after the tax holiday period in the year in which the temporary difference originate and no deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax the temporary difference is which originate first are considered to reverse first.

The Company recognizes tax credit in the nature of Minimum Alternative Tax (MAT) credit as assets only to the extent that there is sufficient taxable temporary difference/convincing evidence that Company will pay normal income tax during the specified period, i.e. the period for which tax credit is allowed to be carried forward. In the year in which Company recognizes tax credits as an asset, the said assets is created by way of tax credit to the Standalone statement of profit and loss. The Company reviews the such tax credit assets at each reporting date and rights down the asset to the extent the

Company does not have sufficient taxable temporary difference/convincing evidence that it will pay normal tax during the specified period. Deferred Tax credit includes MAT tax credit.

13. Foreign Currency Translation

The Standalone financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency. Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Foreign currency borrowing is a long-term foreign currency monetary item which is remeasured at each period end date at the exchange rate.

14. Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

15. Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Notes to the Financial Statements

for the year ended 31 March, 2017

Post-Employment Benefits

Payments to defined contribution schemes are recognized as an expense when employees have rendered the service entitling them to the contribution. The cost of providing benefits under the defined benefit scheme is determined using the projected unit credit method with actuarial valuations being carried out at each Balance Sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The parent Company and its Indian subsidiaries operate defined contribution plans pertaining to Employee State Insurance Scheme for all applicable employees.

Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profit in the Statement of Profit and Loss.

Provident fund

Eligible employees of Company receive benefits from a provident fund, which is

a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

Stock based compensation

The compensation cost of the stock options granted to employees is calculated using the Fair value of the stock options. The compensation expense is amortized uniformly over the vesting period of the options.

16. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of the when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

Notes to the Financial Statements

for the year ended 31 March, 2017

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

17. Other Income

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

18. Inventory

Consumables, construction materials and stores and spares are valued at lower of cost and net realizable value. Obsolete, defective, unserviceable and slow/ non-moving stocks are duly provided for. Cost is determined by the weighted average cost method.

19. Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets. Borrowing costs are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. All other borrowing costs are expensed as incurred. Borrowing costs consist of interest and other cost that an entity incurs in connection with the borrowing of funds. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

20. Segment Reporting

The Company is primary engaged in the segment of “Port Services” and there are no reportable segments as per IND AS 108 – Operating Segments.

21. Rounding of Amounts

All amounts disclosed in the Standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

1.3 Recent Accounting Pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, ‘Statement of cash flows’ and Ind AS 102, ‘Share-based payment.’

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of Standalone financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the Standalone financial statements is being evaluated.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance for the measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the ‘fair values’, but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and

Notes to the Financial Statements

for the year ended 31 March, 2017

conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled, share based payment transaction, the transaction is accounted for as such from the date of modification. Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the authority is treated as if it was part of an equity settlement.

The Company is evaluating the requirements of the amendment and the effect on the Standalone financial statements is being evaluated.

1.4 Key accounting estimates and Judgments

The preparation of the Company's Standalone financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

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

Property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an

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

Taxes

The Company has tax jurisdiction at India, significant judgements are involved in determining the provision for income taxes.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

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

Notes to the Financial Statements

for the year ended 31 March, 2017

NOTE 2:- PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold Land	Buildings	Plant and machinery	Furniture and fittings	Office equipments	Computers	Vehicles	Total
Cost:								
As at 1st April, 2015 (Deemed Cost)	7,710.47	348.88	1,609.60	11.68	3.43	35.08	57.14	9,776.28
Additions	31.86	-	-	-	-	5.44	-	37.30
Disposals/transfers	-	-	13.92	0.99	-	-	-	14.91
As at 31st March, 2016	7,742.33	348.88	1,595.68	10.69	3.43	40.52	57.14	9,798.67
Additions	-	-	19.16	-	-	0.55	-	19.71
Disposals/transfers	-	-	-	-	-	-	-	-
As at 31st March, 2017	7,742.33	348.88	1,614.84	10.69	3.43	41.07	57.14	9,818.38
Accumulated Depreciation:								
As at 1st April, 2015	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	21.21	232.53	3.98	0.96	10.08	5.33	274.09
Disposals/transfers	-	-	1.29	0.43	-	-	-	1.72
As at 31st March, 2016	-	21.21	231.24	3.55	0.96	10.08	5.33	272.37
Depreciation charge for the year	-	7.07	128.77	3.20	0.66	9.26	9.31	158.27
Disposals/transfers	-	-	-	-	-	-	-	-
As at 31st March, 2017	-	28.28	360.01	6.75	1.62	19.34	14.64	430.64
Net book value								
As at 1st April, 2015	7,710.47	348.88	1,609.60	11.68	3.43	35.08	57.14	9,776.28
As at 31st March, 2016	7,742.33	327.67	1,364.44	7.14	2.47	30.44	51.81	9,526.30
As at 31st March, 2017	7,742.33	320.60	1,254.83	3.94	1.80	21.73	42.50	9,387.74

NOTE 3:- GOODWILL

(₹ in Lakhs)

Particulars	Computer Software	Goodwill
Cost:		
As at 1st April, 2015*	7.31	30,068.48
Additions	21.61	-
Disposals / transfers	-	-
Impairment of goodwill	-	7,601.42
As at 31st March, 2016	28.92	22,467.06
Additions	-	-
Disposals / transfers	-	-
Impairment of goodwill	-	7,047.74
As at 31st March, 2017	28.92	15,419.32
Accumulated amortisation:		
As at 1st April, 2015	-	-
Amortisation charge for the year	10.39	-
Disposals / transfers	-	-
As at 31st March, 2016	10.39	-
Amortisation charge for the year	8.10	-
Disposals / transfers	-	-
As at 31st March, 2017	18.49	-
Net book value:		
As at 1st April, 2015	7.31	30,068.48
As at 31st March, 2016	18.53	22,467.06
As at 31st March, 2017	10.43	15,419.32

* Computer software are recognized at fair value on the date of transition as deemed cost

Notes to the Financial Statements

for the year ended 31 March, 2017

NOTE 4:- NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unquoted Investment			
Investment in Equity Instruments of Subsidiaries - carried at cost	45,414.66	45,385.48	45,374.48
Additions on Account of ESOP	2,099.87	1,135.18	1,051.68
	47,514.53	46,520.66	46,426.16

Investment in Equity Instruments of subsidiaries

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
JSW Jaigarh Port Limited	40,050.00	40,050.00	40,050.00
400,500,000 (March 31, 2016: 400,500,000) Equity Shares of ₹ 10 each fully paid up			
JSW Jaigarh Infrastructure Development Private Limited	100.00	100.00	100.00
1,000,000 (March 31, 2016: 1,000,000) Equity Shares of ₹ 10 each fully paid-up			
JSW Shipyard Private Limited	81.08	81.10	71.10
811,000 (March 31, 2016: 811,000) Equity Shares of ₹ 10 each fully paid-up			
Nalwa Fintrade Private Limited	5.00	5.00	5.00
50,000 (March 31, 2016: 50,000) Equity Shares of ₹ 10 each fully paid-up			
Vanity Fintrade Private Limited	5.00	5.00	5.00
50,000 (March 31, 2016: 50,000) Equity Shares of ₹ 10 each fully paid-up			
Dhamankhol Fintrade Private Limited	5.00	5.00	5.00
50,000 (March 31, 2016: 50,000) Equity Shares of ₹ 10 each fully paid-up			
JSW Nandgaon Port Private Limited	3,636.64	3,636.64	3,636.64
36,366,400 (March 31, 2016: 36,366,400) Equity Shares of ₹ 10 each fully paid-up			
JSW Dharamtar Port Private Limited	1,501.00	1,501.00	1,501.00
15,010,000 (March 31, 2016: 10,000) Equity Shares of ₹ 10 each fully paid-up			
JSW Paradip Terminal Private Limited	0.74	0.74	0.74
7,400 (March 31, 2016: 7,400) Equity Shares of ₹ 10 each fully paid-up			
JSW Salav Port Private Limited	1.00	1.00	-
10,000 (March 31, 2016: 10,000) Equity Shares of ₹ 10 each fully paid-up			
Paradip EQ	0.74	-	-
7,399 (March 31, 2016: Nil) Equity Shares of ₹ 10 each fully paid-up			
JSW Middle East	28.46	-	-
7,399 (March 31, 2016: Nil) Equity Shares of ₹ 10 each fully paid-up			
	45,414.66	45,385.48	45,374.48

NOTE 5:- NON-CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans to Related Parties	320.62	1,871.53	374.18
	320.62	1,871.53	374.18

Notes to the Financial Statements

for the year ended 31 March, 2017

NOTE 6:- NON-CURRENT FINANCIAL ASSETS-OTHERS

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Security deposits	5,952.32	9,244.94	12,054.91
	5,952.32	9,244.94	12,054.91

NOTE 7:- TAXATION

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

Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Current income tax (MAT Liability)	1,099.26	2,300.00
Tax (credit) under Minimum Alternative Tax (a)	(1,099.26)	(881.52)
Deferred tax expense / (benefit) (b)		
Relating to origination and reversal of temporary differences	1,183.42	184.34
Income tax relating to items that will not be reclassified to profit or loss from OCI	(0.80)	2.42
Total Expenses reported in the statement of profit and Loss (a+b)	1,182.62	1,605.25

Income Tax expense

Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Reconciliation :		
Profit / (loss) before tax	6,882.10	11,338.24
Accounting profit / (loss) before income tax	6,882.10	11,338.24
Applicable tax rate	34.608%	34.608%
Computed tax expense	2,381.76	3,923.94
Expense not allowed for tax purpose	2,632.95	55.29
Additional allowances for tax purpose	(63.56)	(2,616.54)
Other temporary differences	(4,951.14)	55.79
Income tax expense charged to the statement of profit and loss	-	1,418.48
MAT Credit		
MAT Liability (115JB)	1,099.26	2,300.00
MAT Credit entitlement	(1,099.26)	(881.52)
Current tax	-	1,418.48

The following table provides the details of income tax assets and income tax liabilities as of March 31, 2017 and March 31, 2016:

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income tax assets	2,538.96	2,238.50	860.20
Income tax liabilities	1,100.01	2,300.00	1,447.18
	1,438.95	(61.50)	(586.98)

Notes to the Financial Statements

for the year ended 31 March, 2017

Deferred tax relates to the following:

(₹ in Lakhs)

Particulars	Balance Sheet			Recognised in statement of profit or loss	
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Other items giving rise to temporary differences	1,503.23	2,684.99	2,855.27	1,181.76	170.28
Accelerated depreciation for tax purposes	(19.22)	(14.06)	-	5.16	14.06
Fair valuation of property, plant and equipment (PP&E)	(243.65)	(243.65)	(243.65)	-	-
Income tax relating to items that will not be reclassified to profit or loss from OCI	(1.62)	(2.42)	-	(0.80)	2.42
Deferred tax asset / (liability)	1238.74	2424.86	2,611.62	1,186.12	186.76
Net (income)/expense				1,186.12	186.76

Reconciliation of deferred tax assets / (liabilities) net

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening balance as of 1st April	2,424.86	2,611.62
Tax income / (expense) during the period recognised in profit or loss	(1,186.12)	(186.76)
Closing balance	1,238.74	2,424.86

NOTE 8:- NON-CURRENT ASSETS-OTHERS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital advances	354.08	351.44	709.98
	354.08	351.44	709.98

NOTE 9:- INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Stores, spares and packing materials	44.46	29.91	28.63
	44.46	29.91	28.63

NOTE 10:- CURRENT FINANCIAL ASSETS-INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Quoted investments at Fair Value Through Profit and Loss			
Investments in mutual funds	2,470.72	3,106.00	188.00
	2,470.72	3,106.00	188.00

Notes to the Financial Statements

for the year ended 31 March, 2017

NOTE 11:- TRADE RECEIVABLES

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured Other Debt			
Considered Good	11,359.51	9,381.96	5,228.29
	11,359.51	9,381.96	5,228.29

NOTE 12:- CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bank Balances			
In Current Accounts			
Yes Bank - 9284	0.02	14.05	-
Dena Bank - 1147	1.11	0.14	0.17
State Bank Of India - 9684	2.39	1.32	0.18
Bank Of Maharashtra - 2444	1.57	1.57	1.57
Bank Of Maharashtra - 0045	0.82	0.82	0.82
Axis Bank - 3851	182.02	1,467.75	18.88
Axis Bank - 1287	27.69	102.88	21.76
Axis Bank - 0423	0.00	0.72	0.32
Axis Bank Ltd - 4442	66.04	35.72	69.99
Axis Bank Ltd - 5142	4.68	2.42	10.68
Axis Bank Ltd - 8845	97.00	143.82	200.56
Cash on Hand	3.20	2.51	2.74
	386.54	1,773.72	327.67

NOTE 13:- BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Margin Money	2,652.36	2,144.88	1,637.57
	2,652.36	2,144.88	1,637.57

Margin money deposits with a carrying amount of ₹ 2652.36 Lakhs (March 31, 2016: ₹ 2144.88 Lakhs) are subject to charge for securing the Company's Bank Guarantee facility

NOTE 14:- CURRENT FINANCIAL ASSETS - LOANS

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, considered good, unless otherwise stated			
Advances recoverable in cash or in kind or for value to be received	4,610.65	210.08	1,753.75
Security Deposits	2.18	3.43	3.88
	4,612.83	213.51	1,757.63

NOTE 15:- CURRENT FINANCIAL ASSETS - OTHERS

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Interest accrued on fixed deposits	120.52	113.63	74.65
Interest accrued on advance given to related party	60.62	0.71	0.00
	181.14	114.34	74.65

NOTE 16:- OTHER CURRENT ASSETS

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance to suppliers	76.52	5.77	11.53
Prepaid expenses	2.97	8.92	8.26
Statutory and other receivables	4,241.26	3,700.26	4,296.12
	4,320.75	3,714.95	4,315.91

Notes to the Financial Statements

for the year ended 31 March, 2017

NOTE 17:- SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised:			
71,000,000 Equity Shares of ₹ 10/- each	7,100.00	7,100.00	7,100.00
80,000,000 Preference Shares of ₹ 10/- each	8,000.00	8,000.00	8,000.00
	15,100.00	15,100.00	15,100.00
Issued, Subscribed and paid-up:			
56,847,632 Equity Shares of ₹ 10/- each, fully paid up	5,684.76	5,684.76	5,684.76
	5,684.76	5,684.76	5,684.76

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

(₹ in Lakhs)

Issued and Subscribed and paid up share capital	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	56847632.00	5,684.76	56847632.00	5,684.76	61135102.00	6,113.51
Shares Issued on Amalgamation	-	-	-	-	62500.00	6.25
Shares Cancelled on Amalgamation	-	-	-	-	(4349970.00)	(435.00)
Balance at the end of the year	56847632.00	5,684.76	56847632.00	5,684.76	56847632.00	5,684.76

(b) Terms / rights attached to equity shares:

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

(c) Shares held by Holding Company and fellow subsidiaries

(₹ in Lakhs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	Amount	No. of Shares	Amount	No. of Shares	Amount
JSW Infrastructure Fintrade Private Limited, the Holding Company along with its nominee shareholders	56004000.00	560.04	56004000.00	560.04	56004000.00	560.04
Nisarga Spaces Private Limited	31145.00	0.31	31145.00	0.31	31145.00	0.31
Avani Spaces Private Limited	31145.00	0.31	31145.00	0.31	31145.00	0.31

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

(₹ in Lakhs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	Percentage	No. of Shares	Percentage	No. of Shares	Percentage
JSW Infrastructure Fintrade Private Limited, the Holding Company along with its nominee shareholders	56004000.00	98.52%	56004000.00	98.52%	56004000.00	98.52%

- (e) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.
- (f) There are not bonus shares issued during the period of five years immediately preceding the reporting date.

Notes to the Financial Statements

for the year ended 31 March, 2017

NOTE 18:- OTHER EQUITY

(₹ in Lakhs)

Particulars	Retained Earnings	Capital Reserve	Debenture Redemption Reserve	Securities Premium Reserve	Share Options Outstanding	Share Application Money refundable	Total
Balance as at 1st April, 2015	5,402.38	8.94	10,000.00	34,876.62	1,401.05	8.94	51,697.93
Addition/(Deletion) during the year	-	8.94	-	-	(575.06)	(8.94)	(575.06)
Profit for the year	9,670.42	-	-	-	-	-	9,670.42
Other comprehensive income / (loss) for the year							
- Remeasurements gains on defined benefit plans	4.58	-	-	-	-	-	4.58
Balance as at 31st March, 2016	15,077.38	17.88	10,000.00	34,876.62	825.99	-	60,797.87

(₹ in Lakhs)

Particulars	Retained Earnings	Capital Reserve	Debenture Redemption Reserve	Securities Premium Reserve	Share Options Outstanding	Share Application Money refundable	Total
Balance as at 1st April, 2016	15,077.38	17.88	10,000.00	34,876.62	825.99	-	60,797.88
Addition/(Deletion) during the year	-	-	-	-	1,906.85	-	1,906.85
Profit for the year	5,650.14	-	-	-	-	-	5,650.14
Other comprehensive income / (loss) for the year							
- Remeasurements loss on defined benefit plans	(1.52)	-	-	-	-	-	(1.52)
Balance as at 31st March, 2017	20,726.00	17.88	10,000.00	34,876.62	2,732.84	-	68,353.34

Nature and purpose of reserves:

(1) Debenture redemption reserve:

Debenture Redemption reserve was created for redemption of debentures. A company may issue fully paid-up bonus shares to its members out of the debenture redemption reserve account.

(2) Security premium account:

Security premium account is created when shares are issued at premium. A company may issue fully paid-up bonus shares to its members out of the security premium reserve account, and company can use this reserve for buy-back of shares.

(3) Capital Reserve:

Forfeiture of equity share warrant on account of option not exercised by the warrant holders.

(4) Terms of convertible warrants:

The Company had issued and allotted Nil (March 31, 2016 NIL and March 31, 2015: 894,230) warrants entitling the holder to apply for and be allot one equity share of the Company of par value of ₹ 10/- each at Conversion price per Equity Share ₹ 1,221.69.

(5) Share option outstanding:

For details of shares reserved under employee stock option (ESOP) of the Company refer note 40.

NOTE 19:- NON-CURRENT FINANCIAL LIABILITIES-BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured loans			
Term loans from banks	5,255.87	10,022.41	14,251.82
Debentures	12,238.57	21,680.88	29,858.78
	17,494.44	31,703.29	44,110.60

Notes to the Financial Statements

for the year ended 31 March, 2017

NOTE 19.1:- Nature of security and terms of repayment

(₹ in Lakhs)

Lender	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	Rate of interest		As at 1st April, 2015	Nature of security	Repayment terms
				As at 31st March, 2017	As at 31st March, 2016			
From Banks:								
Axis Bank	10,079.87	14,402.41	17,968.86	Floating 10.60%	Floating 10.75%	Floating 10.60%	First pari pasu charge on fixed assets, current assets and receivables	Repayable in monthly installments from April 2017 to March 2019
Debenture	21,838.57	30,080.88	37,058.78	11.90%	11.90%	11.90%	- English mortgage, charge assignment over all rights under the take or pay agreement with South West Port limited and JSW Jaigarh Port Limited :- Mortgage over immovable property :- Pledge of 51% shares of JSW Infrastructure Limited	Repayable in monthly installments from April 2017 to March 2019
Loan from related party	-	-	86.96	10.80%	10.80%	10.80%	Unsecured	Repayable on demand
	31,918.44	44,483.29	55,114.60					

NOTE 19.2:- Disclosure in financial statements

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured:			
Long term borrowings	5,255.87	10,022.41	14,251.82
Debentures (Non Current)	12,238.57	21,680.88	29,858.78
Short term borrowings	4,824.00	4,380.00	3,804.00
Debentures (Current)	9,600.00	8,400.00	7,200.00
Unsecured:			
Loan from related party	-	-	-
	31,918.44	44,483.29	55,114.60

NOTE 20:- NON-CURRENT OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Retention money	11.14	11.57	39.21
	11.14	11.57	39.21

NOTE 21:- NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Employee Benefits	63.38	64.67	57.81
	63.38	64.67	57.81

Notes to the Financial Statements

for the year ended 31 March, 2017

NOTE 22:- CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured loans			
Term loans			
From banks	4,824.00	4,380.00	3,804.00
Debentures	9,600.00	8,400.00	7,200.00
	14,424.00	12,780.00	11,004.00

NOTE 23:- CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade Payables			
Due to others	556.86	699.44	1,541.86
Due to related parties	0.04	0.04	-
	556.90	699.48	1,541.86

NOTE 24:- CURRENT-OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Interest accrues but not due on borrowing	265.64	373.14	475.13
Employee dues	315.14	196.79	158.11
Others	354.13	475.21	-
	934.91	1,045.14	633.24

NOTE 25:- OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Other payables:			
Statutory dues	142.17	56.32	230.88
	142.17	56.32	230.88

Notes to the Financial Statements

for the year ended 31 March, 2017

NOTE 26:- REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Cargo Handling income	22,524.18	23,464.98
Commitment charges	67.42	5,780.47
	22,591.60	29,245.45

NOTE 27:- OTHER INCOME

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest income	331.57	168.60
Gain on sale of investments(net)	244.20	63.36
Interest income using effective interest rate	1,507.39	1,053.83
Other non-operating income:		
Miscellaneous income	21.63	290.82
	2,104.79	1,576.61

NOTE 28:- Operating Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Consultancy expenses	53.00	16.91
Cargo handling expenses	3,094.03	3,304.76
Stores & Spares	55.12	49.93
Repairs & Maintenance	270.12	117.23
	3,472.27	3,488.83

NOTE 29:-EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Salaries, Wages and bonus	1,009.14	1,227.26
Staff welfare expenses	34.11	99.07
Contributions to provident and other fund	65.78	58.57
Gratuity expense (Refer note 39)	1.18	8.64
ESOP expenses (Refer note 40)	653.40	28.62
	1,763.61	1,422.16

NOTE 30:- FINANCE COSTS

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest on loans	3,254.26	4,260.02
Interest on Debentures	1,382.50	1,889.15
Other finance costs	31.87	20.19
	4,668.63	6,169.36

Notes to the Financial Statements

for the year ended 31 March, 2017

NOTE 31:- DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Depreciation on Tangible Assets	158.28	272.23
Amortisation on Intangible Assets	8.10	10.39
	166.38	282.62

NOTE 32:- OTHER EXPENSES

Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Rent	6.46	10.18
Rates & taxes	28.97	20.20
Insurance	19.62	12.69
Legal, professional & consultancy charges	76.41	71.51
Vehicle hiring & maintenance	28.06	29.06
CSR expenses (Refer note 35)	120.93	83.20
Directors sitting fees	9.80	9.20
Remuneration to auditors (Refer note 34)	12.61	11.79
Loss on Sale of Fixed Assets	-	11.52
General office expenses and overheads	277.04	246.76
Travelling expenses	106.72	48.79
Advertisement expenses	26.67	10.17
Donations	-	0.50
Branding fees	1.65	18.86
Forex Loss	22.77	-
Others	6.49	-
	744.20	584.43

NOTE 33:- CONTINGENT LIABILITIES AND COMMITMENTS

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

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Guarantee and collateral provided by the company	1,139.12	526.70	526.70
(b) Guarantee and collateral provided by the company on behalf of subsidiaries	3,307.70	-	-
(c) Income tax liability that may arise in respect of matters in appeal preferred by the department:			
Disputed income tax liability in respect of AY 2009-10	-	693.10	693.10
Disputed income tax liability in respect of AY 2010-11	520.20	520.20	520.20
Disputed income tax liability in respect of AY 2011-12	29.50	29.50	29.50
Disputed income tax liability in respect of AY 2012-13	46.10	46.10	46.10
Disputed income tax liability in respect of AY 2013-14	1,355.83	2,474.00	-
Disputed income tax liability in respect of AY 2014-15	1,775.77	-	-
	8,174.22	4,289.60	1,815.60

Notes:

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

Notes to the Financial Statements

for the year ended 31 March, 2017

Note 34:- PAYMENT TO AUDITORS (exclusive of service tax)

(₹ in Lakhs)

Nature of transaction/relationship	As at	As at
	31st March, 2017	31st March, 2016
Statutory Audit fees	8.40	8.00
Tax Audit fees	1.15	1.10
Out of pocket expenses	0.31	0.15
Others	2.75	2.54
	12.61	11.79

NOTE 35: CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend atleast 2% of its average net profits for the immediately preceeding three financial years on corporate social responsibility (CSR) activities. The CSR committee has been formed by the company. The areas for CSR activities are Improving Living Conditions, Promoting Social Development, Swachcha Bharat Abhiyan, Addressing Environmental Issues and rural development projects. The funds were utilized throughout the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

(₹ in Lakhs)

Name of the Category	Amount Spent
Improving Living Conditions	8.32
Promoting Social Development	60.71
Administration & Contingency	2.52
Addressing Social Inequities	25.86
Promoting Rural Sports Training	6.99
Promoting Rural Development	16.53
Total	120.93

NOTE 36: IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2017	31st March, 2016
Spare parts		
Indigenous	55.12	29.90
Total	55.12	29.90

NOTE 37: EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2017	31st March, 2016
Travelling and Conveyance	67.83	14.50
Total	67.83	14.50

Notes to the Financial Statements

for the year ended 31 March, 2017

NOTE 38:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES

(a) List of Related Parties:

Name of the Related Party	Country of Incorporation	% Equity Interest		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Subsidiaries:				
JSW Jaigarh Port Limited	India	100%	100%	100%
South West Port Limited	India	100%	100%	100%
Dhamankhol Fintrade Private Limited	India	100%	100%	100%
JSW Jaigarh Infrastructure Development Private Limited	India	100%	100%	100%
Nalwa Fintrade Private Limited	India	100%	100%	100%
Vanity Fintrade Private Limited	India	100%	100%	100%
JSW Dharamtar Port Private Limited	India	100%	100%	100%
JSW Shipyard Private Limited	India	100%	100%	100%
JSW Nandgaon Port Private Limited	India	100%	100%	100%
JSW Paradip Terminal Private Limited	India	100%	100%	100%
JSW Paradip East Quay Pvt Limited	India	100%	-	-
Masad Marine Services Private Limited	India	100%	100%	100%
JSW Terminal (Marmugao) Private Limited	India	100%	100%	100%
Jaigarh Digni Rail Limited	India	63%	63%	-
JSW Salav Port Private Limited	India	100%	100%	100%
JSW Middle East Terminal	UAE	100%	-	-

Name	Nature of Relation
JSW Investments Private Limited	Ultimate Holding Company
JSW Infrastructure Fintrade Private Limited	Holding company
Nisagra Spaces Private Limited	Fellow Subsidiary
Avani Spaces Private Limited	Fellow Subsidiary
West Waves Maritime and Allied Services Private Limited	Others
JSW Steel Limited	Others
JSW Infrastructure Employees Welfare Trust	Others
Jsoft Solutions Limited	Others
JSW IP Holdings Private Limited	Others
JSW Infrastructure Group Gratuity Trust	Others
JSW Global Business Solutions Limited	Others

Key Managerial Personnel

Name	Nature of Relation
Capt BVJK Sharma	JMD & CEO
Lalit Singhvi	CFO (From 31/10/2015) & Sr VP Fin & Commercial
Manoj Kumar Mohta	CFO (Till 30/08/2015)
Gazal Qureshi	Company Secretary

Notes to the Financial Statements

for the year ended 31 March, 2017

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

(₹ in Lakhs)

Nature of transaction/relationship	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Purchase of goods and services		
JSW Dharamtar Port Private Limited	765.14	1,636.30
JSW IP Holdings Private Limited	1.65	18.90
	766.79	1,655.20
Sales of goods and services		
JSW Dharamtar Port Private Limited	2,200.00	-
JSW Steel Limited	132.00	11,769.00
Jsoft Solutions	-	0.40
JSW Jaigarh Port Limited	7,056.00	6,827.40
South West Port Limited	12,010.94	10,649.10
	21,398.94	29,245.90
Interest Expenses		
JSW Paradip East Quay Private Limited	1.12	-
	1.12	-
Interest Income		
JSW Paradip Terminal Private Limited	72.09	-
JSW Paradip East Quay Private Limited	1.24	-
JSW Jaigarh Port Limited	9.28	-
JSW Middle East Terminal	2.14	-
	84.75	-
Payment of salaries, commission and perquisites		
Key Management Personnel		
Mr. Lalit Singhvi	116.41	33.56
Mr. Manoj Mohta	-	30.61
Ms Gazal Qureshi	17.37	16.13
	133.78	80.30
Other expenses		
Other Related Parties		
JSW Jaigarh Port Limited	704.20	162.87
South West Port Limited	113.26	-
Dhamankhol Fintrade Private Limited	0.29	0.59
Nalwa Fintrade Private Limited	0.29	0.57
Vanity Fintrade Private Limited	0.33	0.54
JSW Dharamtar Port Private Limited	126.02	9.98
JSW Shipyard Private Limited	2.74	5.78
JSW Nandgaon Port Private Limited	221.08	153.37
JSW Paradip Terminal Private Limited	481.76	82.26
JSW Paradip East Quay Private Limited	113.32	-
JSW Terminal (Marmugao) Private Limited	0.15	0.12
Jaigarh Digni Rail Limited	1.54	-
JSW Salav Port Private Limited	0.21	70.15
JSW Middle East Terminal	22.29	-
Nisarga Spaces Private Limited	0.15	0.26
Avani Space Private Limited	3.05	0.24
West Waves Maritime and Allied Services Private Limited	0.11	0.26
	1,790.79	486.99

Notes to the Financial Statements

for the year ended 31 March, 2017

Amount due to / from related parties		(₹ in Lakhs)
Nature of transaction/relationship	As at 31st March, 2017	As at 31st March, 2016
Accounts payable		
JSW Dharamtar Port Private Limited	-	151.60
Jsoft Solutions	-	3.63
JSW IP Holdings Private Limited	1.73	-
	1.73	155.23
Accounts receivable		
JSW Jaigarh Port Limited	7,137.52	4,627.60
South West Port Limited	2,750.35	557.31
JSW Steel Limited	1,424.98	4,155.59
	11,312.85	9,340.50
Loans and advances receivables		
JSW Infrastructure Employees Welfare Trust	280.9	280.9
JSW Jaigarh Port Limited	167.47	-
South West Port Limited	2.38	1,030.10
Dhamankhol Fintrade Private Limited	842.92	842.63
JSW Jaigarh Infrastructure Development Private Limited	1,183.74	-
Nalwa Fintrade Private Limited	453.90	453.61
Vanity Fintrade Private Limited	1,028.90	1,028.57
JSW Dharamtar Port Private Limited	0.99	-
JSW Shipyard Private Limited	8.52	5.78
JSW Nandgaon Port Private Limited	374.45	153.37
JSW Paradip Terminal Private Limited	2,155.05	429.20
JSW Paradip East Quay Private Limited	533.32	-
JSW Terminal (Marmugao) Private Limited	0.27	0.12
Jaigarh Digni Rail Limited	0.92	-
JSW Salav Port Private Limited	70.36	70.15
JSW Middle East Terminal	552.06	-
Nisarga Spaces Private Limited	0.41	0.26
Avani Space Private Limited	3.30	0.24
JSW Infrastructure Group Gratuity Trust	-	0.15
JSW Global Business Solutions Limited	-	47.40
West Waves Maritime and Allied Services Private Limited	0.37	0.26
	7,660.23	4,342.75

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

NOTE 39:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS

- (a) Defined contribution plans: Amount of ₹ 60.56 Lakhs (Previous year ₹ 54.18 Lakhs) is recognised as an expense and included in Employee benefits expense as under the following defined contribution plans:

		(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016
Benefits (Contribution to):		
Provident fund	39.24	34.64
Employee state insurance scheme	3.76	3.80
Family pension	17.56	15.74
	60.56	54.18

Notes to the Financial Statements

for the year ended 31 March, 2017

(b) Defined benefit plans:

Gratuity:

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

(₹ in Lakhs)

Particulars	Gratuity	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Change in present value of defined benefit obligation during the year		
Present Value of defined benefit obligation at the beginning of the year	33.49	28.33
Interest cost	2.69	2.26
Current service cost	10.56	8.17
Benefits paid	(0.89)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	2.95	(0.16)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(3.67)	(5.12)
Present Value of Benefit Obligation at the End of the Period	45.13	33.49
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	48.30	41.27
Interest Income	3.88	3.30
Benefits paid from the fund	(0.89)	-
Return on Plan Assets, Excluding Interest Income	(3.04)	3.74
Fair Value of Plan Assets at the End of the Period	48.26	48.30
Net asset / (liability) recognised in the balance sheet		
(Present Value of Benefit Obligation at the end of the Period)	(45.13)	(33.49)
Fair Value of Plan Assets at the end of the Period	48.26	48.30
Funded Status (Surplus / (Deficit))	3.13	14.81
Net (Liability)/Asset Recognized in the Balance Sheet	3.13	14.81
Expenses recognised in the statement of profit and loss for the year		
Current service cost	10.56	8.17
Net Interest Cost	(1.19)	(1.03)
Total expenses included in employee benefits expense	9.37	7.14
Recognised in other comprehensive income for the year		
Actuarial (Gains)/Losses on Obligation For the Period	(0.72)	(5.28)
Return on Plan Assets, Excluding Interest Income	3.04	(3.74)
Net (Income)/Expense For the Period Recognized in OCI	2.32	(9.02)
Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	0.93	0.79
Between 2 and 5 years	10.72	4.09
Between 6 and 10 years	33.69	21.49

Notes to the Financial Statements

for the year ended 31 March, 2017

(₹ in Lakhs)

Particulars	Gratuity	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Quantitative sensitivity analysis for significant assumption is as below:		
Increase / (decrease) on present value of defined benefits obligation at the end of the year:		
One percentage point increase in discount rate	(3.87)	(2.97)
One percentage point decrease in discount rate	4.44	3.41
One percentage point increase in rate of salary Increase	4.45	(3.05)
One percentage point decrease in rate of salary Increase	(3.95)	0.25
One percentage point increase in employee turnover rate	(0.05)	(0.30)
One percentage point decrease in employee turnover rate	0.01	-
Sensitivity Analysis Method:		
Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.		
Actuarial assumptions		
Rate of Discounting	7.29%	8.04%
Rate of Salary Increase	6.00%	6.00%
Mortality rate during employment	2006-08	2006-08
Mortality post retirement rate	NA	NA
Rate of Employee Turnover	2.00%	2.00%
Other details		
No of Active Members	37.00	36.00

NOTE 40:- EMPLOYEE STOCK OPTION PLAN (ESOP)

The Company provides share-based payment schemes to its employees.

On November 15, 2011, the board of directors approved the Equity Settled ESOP Plan 2011 for issue of stock options to the employee & whole time directors of the Company and its subsidiaries. According to the plan 2011, the employee selected by the ESOP committee from time to time will be entitled to option based upon the CTC/fixed pay, subject to satisfaction of the prescribed vesting conditions viz., continuing employment of 1 year. The other relevant terms of the grant are as follows:

Particulars	Mega Grant	First Subsequent Grant	Second Subsequent Grant	Third Subsequent Grant	ESOP Plan 2016
	1st December, 2011	1st December, 2011	1st October, 2012	1st October, 2013	13th June, 2016
Vesting period (years)	1 year	3 years	3 years	3 years	1 year
Exercise period (years)	5	3	2	1	1
Exercise life (years)	1.1 to 2.1	4.5	4	3.5	5
Weighted average Exercise price on the date of grant	10	85.66	99.68	123.75	897
Weighted average fair value as on grant date	285.64	241.39	254.3	294.25	517

Notes to the Financial Statements

for the year ended 31 March, 2017

(₹ in Lakhs)

Particulars	Mega Grant	First Subsequent Grant	Second Subsequent Grant	Third Subsequent Grant	ESOP Plan 2016
	1st December, 2011	1st December, 2011	1st October, 2012	1st October, 2013	13th June, 2016
Options Granted	435,831.00	76,665.00	88,467.00	90,745.00	168,495.00
Option Vested	435,831.00	76,665.00	88,467.00	90,745.00	144,128.00
Options Exercised	190,388.00	26,871.00	33,659.00	-	-
Options lapsed	84,792.00	21,887.00	19,658.00	11,913.00	24,367.00
Total number of options outstanding	160,651.00	27,907.00	35,150.00	78,832.00	119,761.00

Each option entitles the holder to exercise the right to apply and seek allotment of one equity share of ₹ 10 each. The following table exhibits the net compensation expenses arising from share based payment transaction:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Expense arising from equity settled share based payment transactions	653.40	28.62

For options granted on 1st December 2011, 1st October 2012 and 1st October 2013 under ESOP 2011 Scheme, the weighted average fair values have been determined using the Black Scholes Option Pricing Model considering the following parameters:

Particulars	For options granted in				
	1st December 2011 (Mega)	1st December 2011 (1st)	1st October 2012 (2nd)	1st October 2013 (3rd)	13th June 2016
Weighted average share price on the date of grant	₹ 294.48	₹ 296.47	₹ 323.42	₹ 379.86	₹ 997
Weighted average Exercise price on the date of grant	₹ 10	₹ 85.66	₹ 99.68	₹ 123.75	₹ 897
Expected volatility (%)	49.94%	49.94%	45.99%	45.99%	38.33%
Expected life of the option (years)	1 year	3 years	3 years	3 years	1 year
Expected dividends (%)	0%	0%	0%	0%	0%
Risk-free interest rate (%)	8.86%	8.86%	8.17%	8.76%	7.43%
Weighted average fair value as on grant date	₹ 285.64	₹ 241.39	₹ 254.3	₹ 294.25	517

The activity in the 2011 Plan for equity-settled share based payment transactions during the year ended March 31, 2017 is set out below:

Mega grant

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Outstanding at the beginning of the year	183,940.00	374,537.00
Granted during the year	-	-
Forfeited during the year	23,289.00	1,714.00
Exercised during the year	-	188,883.00
Outstanding at the end of the year	160,651.00	183,940.00

Notes to the Financial Statements

for the year ended 31 March, 2017

First Subsequent Grant			(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016	
Outstanding at the beginning of the year	33,874.00	62,101.00	
Granted during the year	-	-	
Forfeited during the year	5,967.00	1,640.00	
Exercised during the year	-	26,587.00	
Outstanding at the end of the year	27,907.00	33,874.00	
Second Subsequent Grant			(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016	
Outstanding at the beginning of the year	36,121.00	71,537.00	
Granted during the year	-	-	
Forfeited during the year	971.00	2,052.00	
Exercised during the year	-	33,364.00	
Outstanding at the end of the year	35,150.00	36,121.00	
Third Subsequent Grant			(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016	
Outstanding at the beginning of the year	82,629.00	85,877.00	
Granted during the year	-	-	
Forfeited during the year	3,797.00	3,248.00	
Exercised during the year	-	-	
Outstanding at the end of the year	78,832.00	82,629.00	
ESOP Plan 2016			(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016	
Outstanding at the beginning of the year	-	-	
Granted during the year	168,495.00	-	
Forfeited during the year	24,367.00	-	
Exercised during the year	-	-	
Outstanding at the end of the year	144,128.00	-	

NOTE 41:- FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

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

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

Fair value of cash, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

Notes to the Financial Statements

for the year ended 31 March, 2017

(₹ in Lakhs)

Particulars	Level	Carrying amount		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial assets at amortised cost:				
Trade receivables	3	11,359.51	9,381.96	5,228.29
Investments (non-current)	3	47,514.53	46,520.66	46,426.16
Loans and other receivables (non-current)	3	320.62	1,871.53	374.18
Loans and other receivables (current)	3	4,612.83	213.51	1,757.63
Cash and bank balances	3	386.54	1,773.72	327.67
Bank deposit	3	2,652.36	2,144.88	1,637.57
Other financial assets (non-current)	3	5,952.32	9,244.94	12,054.91
Other financial assets (current)	3	181.14	114.34	74.65
		72,979.85	71,265.54	67,881.06
Financial assets at fair value through profit or loss:				
Investments	1	2,470.72	3,106.00	188.00
		2,470.72	3,106.00	188.00
Financial liabilities at amortised cost:				
Loans and borrowings (Non current)	3	17,494.44	31,703.29	44,110.60
Loans and borrowings (Current)	3	14,424.00	12,780.00	11,004.00
Trade and other payables	3	556.90	699.47	1,541.86
Other financial liabilities (non-current)	3	11.14	11.14	11.14
Other financial liabilities (current)	3	934.91	1,045.14	633.24
		33,421.39	46,239.04	57,300.84

Fair value hierarchy

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

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

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

The Company has mutual fund investment, which are fair valued at the end of reporting period using Level 1 fair value heirarchy.

NOTE 42:-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Interest rate risk

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

Particulars	Exposure to interest rate risk	
	As at 31st March, 2017	As at 31st March, 2016
Floating rate borrowings	10,079.87	14,402.41
Fixed rate borrowings	21,838.57	30,080.88

A change of 25 basis points in interest rates would have following impact on profit before tax.

(₹ in Lakhs)

Particulars	As at	
	31st March, 2017	31st March, 2016
25 bp increase - Decrease in profit	135.40	179.99
25 bp decrease - Increase in profit	135.40	179.99

Notes to the Financial Statements

for the year ended 31 March, 2017

Market risk:

The Company operates only in domestic market accordingly no market risk is perceived.

Foreign currency risk:

The Company operates only in domestic market, however Company has given loan to its foreign subsidiary in foreign currency. The Company is exposed to exchange rate fluctuation to the extent of loan given to its foreign subsidiary.

Foreign currency exposure	As at 31st March, 2017	As at 31st March, 2016
Loan to subsidiary (AED)	30.00	-

Credit risk:

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

The group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 1,135,950,538 and ₹ 938,196,496 as of March 31, 2017 and March 31, 2016, respectively. The Company has its major revenue from group companies however due to third party cargo handling small quantum of credit risk is perceived.

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

Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Long-term borrowings generally mature between one and 10 years. Liquidity is reviewed on a daily basis based on weekly cash flow forecast.

As of March 31, 2017, the Company had a working capital of ₹ 1,140,930,689 As of March 31, 2016, the Company had a working capital of ₹ 583,685,824. The Company is confident of managing its financial obligation through short term borrowing and liquidity management.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2017:

As at 31st March, 2017	Less than one year	1 to 5 years	> 5 years	Total
Borrowings (non current)	-	17,494.44	-	17,494.44
Borrowings (current)	14,424.00	-	-	14,424.00
Trade payables	556.90	-	-	556.90
Other financial liabilities (non-current)	-	11.14	-	11.14
Other financial liabilities (current)	934.90	-	-	934.90
	15,915.80	17,505.57	-	33,421.38

Notes to the Financial Statements

for the year ended 31 March, 2017

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2016:

	(₹ in Lakhs)			
As at 31st March, 2016	Less than one year	1 to 5 years	> 5 years	Total
Borrowings (non current)	-	12,780.00	-	12,780.00
Borrowings (current)	12,780.00	-	-	12,780.00
Trade payables	699.48	-	-	699.48
Other financial liabilities (non-current)	-	11.57	-	11.57
Other financial liabilities (current)	1,045.14	-	-	1,045.14
	14,524.62	12,791.57	-	27,316.19

Capital management:

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

The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

NOTE 43:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 33 EARNINGS PER SHARE

Particulars	As at 31st March, 2017	As at 31st March, 2016
Earnings per share has been computed as under		
Profit for the year (₹)	565,014,343	967,041,662
Face value of equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding	56,847,632	56,847,632
Effect of Dilutive common equivalent shares - share option outstanding	152,055	269,195
Weighted average number of equity shares outstanding	56,999,687	57,116,827
Earnings per equity share		
Basic (₹/share)	9.94	17.01
Diluted (₹/share)	9.91	16.93

NOTE 44:- DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other denomination	Total
Cash in hand as on November 8, 2016	156,500.00	88,851.00	245,351.00
(+) Permitted receipts	-	492,925.00	492,925.00
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	156,500.00	312,754.00	469,254.00
Cash in hand as on December 30, 2016	-	269,022.00	269,022.00

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

NOTE 43: SEGMENT REPORTING

The Company is primarily engaged in the segment of "Port Services" and single reportable segments as per Ind AS 108 Operating Segment.

Note 45 : In the opinion of the management the current assets, loans and advances (including capital advances) have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

Note 46 : The Company is yet to receive balance confirmation in respect of certain sundry creditors, advances and debtors. The management does not expect any material difference affecting the current years financial statements due to the same.

Notes to the Financial Statements

for the year ended 31 March, 2017

Note 47 : The financial statements are approved for issue by the Audit Committee at its meeting held on 16th May, 2017 and by the Board of Directors on 16th May, 2017.

Note 48 : First-time adoption of Ind AS

These are the Company's first Standalone Financial Statements prepared in accordance with Ind AS. The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended March 31, 2017.

The comparative information presented in these standalone Financial Statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (date of transition of the Company). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in Financial Statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act, (hereinafter referred to as 'IGAAP'). An explanation of how the transition from IGAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company is set out in the following tables and notes.

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2016, with a transition date of April 01, 2015. For all periods up to and including the year ended March 31, 2016, the Company prepared its Financial Statements in accordance with the previously applicable Indian GAAP (hereinafter referred to as 'IGAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time adoption of Indian Accounting Standards (Ind AS 101). Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS Financial Statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared Financial Statements which comply with Ind AS for year ended March 31, 2017, together with the comparative information as at and for the year ended March 31, 2016.

The Company has prepared opening Ind AS balance sheet as at April 01, 2015, the date of transition to Ind AS. In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in Financial Statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company is set out in the following tables and notes:

Exemptions and exceptions Aailed

In preparing these Ind AS Financial Statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the Financial Statements as at the transition date under Ind AS and IGAAP have been recognized directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its IGAAP Financial Statements, including the Balance Sheet as at April 01, 2015 and the Financial Statements as at and for the year ended March 31, 2016

Ind AS optional exemptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous IGAAP to Ind AS.

Business combinations

Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries or of interests in associates and joint ventures that occurred before April 01, 2015. The carrying amounts of assets and liabilities in accordance with IGAAP is considered as their deemed cost at the date of acquisition. After the date of the acquisition, measurement is in accordance with Ind AS. The carrying amount of goodwill in the opening Ind AS balance sheet is its carrying amount in accordance with the IGAAP.

Deemed cost

Ind AS 101 permits a first-time adopter to elect to fair value all of its property, plant and equipment as recognized in the Financial Statements as at the date of transition as its deemed cost. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible assets. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets at their fair value on date of transition as deemed cost (Option to FV is not for investment properties).

Investments in subsidiary companies, associate Company and joint venture Company

Ind AS 101 permits a first time adopter to measure its investment in subsidiary companies, associate companies and joint venture companies at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost, The deemed cost of such investment shall either be it's fair value at date of transition to Ind AS of the Company, or IGAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary companies, associate Company and joint venture Company at IGAAP carrying amount as its deemed cost on the transition date.

Notes to the Financial Statements

for the year ended 31 March, 2017

Long-term foreign currency monetary items

Ind AS 101 provides an exemption to continue the accounting policy option of recognizing the exchange difference on translation of such long-term foreign currency items as per IGAAP, para 46A of AS 11 'The Effects of Changes in Foreign Exchange Rates', provided an alternative accounting treatment to companies with respect to exchange differences arising on restatement of long term foreign currency monetary items. Exchange differences on account of depreciable assets could be added/deducted from the cost of the depreciable asset, which would then be depreciated over the balance life of the asset, can be continued under Ind AS for items outstanding as on March 31, 2016. The Company has opted to apply this exemption.

Ind AS mandatory exceptions

The Company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101.

i) Estimates

Estimates in accordance with Ind AS at the transition date shall be consistent with estimates made for the same date in accordance with IGAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with IGAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under IGAAP:

- Impairment of financial assets based on expected credit loss model.

ii) Non-controlling interests

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition.

Consequently, the Company has applied the above requirement prospectively.

iii) De-recognition of financial assets and liabilities.

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 Financial Instrument (Ind AS 109) prospectively

for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of transition to Ind AS, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities de-recognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iv) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

v) Impairment of financial assets

Ind AS 101 requires guidance's for impairment as per Ind AS 109 to be applied post-transition date.

vi) Share-based Payment

The Company has availed the exemption of not applying Ind AS 102 – Share-based Payment to equity instruments that vested before date of transition to Ind AS.

1. Transition to Ind AS - Reconciliations

For all periods up to and including the year ended 31st March, 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). This note explains the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP for the following:

- I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date) and as at March 31, 2016
- II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016
- III. Reconciliation of Total Comprehensive Income for the year ended March 31, 2016
- IV. Reconciliation of Equity as at April 1, 2015 and as at March 31, 2016

Notes to the Financial Statements

for the year ended 31 March, 2017

The following explains the material adjustments made while transition from previous IGAAP to IND AS:

(I) Reconciliation of Balance sheet as at 01st April, 2015 and 31st March, 2016

Particulars	Foot Notes	As at 31st March, 2016			As at 1st April, 2015		
		IGAAP	Adjustment	Ind AS	IGAAP	Adjustment	Ind AS
ASSETS							
Non-Current Assets							
Property, Plant and Equipment	B	4,895.27	4,631.03	9,526.30	5,087.39	4,688.89	9,776.28
Goodwill	N	22,551.36	(84.30)	22,467.06	30,068.48	-	30,068.48
Other Intangible Assets		18.53	-	18.53	7.31	-	7.31
Financial Assets							
Investments	E	45,385.46	1,135.20	46,520.66	45,374.46	1,051.70	46,426.16
Loans	L	4,357.33	(2,485.80)	1,871.53	2,953.79	(2,579.61)	374.18
Other financial Assets	I, O	14,823.00	(5,578.06)	9,244.94	18,593.00	(6,538.09)	12,054.91
Deferred Tax Assets	G	-13.00	2,437.86	2,424.86	-	2,611.62	2,611.62
Other Non-current Assets		351.44	-	351.44	709.98	-	709.98
Total Non-Current Assets		92,369.39	55.93	92,425.32	102,794.41	(765.49)	102,028.92
Current Assets							
Inventories		29.91	-	29.91	28.63	-	28.63
Financial Assets							
Investments		3,106.00	-	3,106.00	188.00	-	188.00
Trade receivables		9,381.96	-	9,381.96	5,228.29	-	5,228.29
Cash and cash equivalents		1,773.72	-	1,773.72	327.67	-	327.67
Bank balances other than cash and cash equivalents		2,144.88	-	2,144.88	1,637.57	-	1,637.57
Loans	E	1,329.30	(1,115.80)	213.51	2,809.33	(1,051.70)	1,757.63
Other financial assets		114.35	-	114.34	74.65	-	74.65
Other Current Assets		3,714.97	-	3,714.95	4,315.91	-	4,315.91
Total Current Assets		21,595.09	(1,115.80)	20,479.27	14,610.05	(1,051.70)	13,558.35
TOTAL ASSETS		113,964.48	(1,059.87)	112,904.59	117,404.46	(1,817.19)	115,587.27
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital		5,684.76	-	5,684.76	5,684.76	-	5,684.76
Other Equity	H	61,432.04	(634.17)	60,797.87	52,797.75	(1,099.82)	51,697.93
		67,116.80	(634.17)	66,482.63	58,482.51	(1,099.82)	57,382.69
Liabilities							
Non-Current Liabilities							
Financial Liabilities							
Borrowings	M	32,128.99	(425.70)	31,703.29	44,827.97	(717.37)	44,110.60
Other financial liabilities		11.57	-	11.57	39.21	-	39.21
Provisions		64.67	-	64.67	57.81	-	57.81
		32,205.23	(425.70)	31,779.53	44,924.99	(717.37)	44,207.62
Current Liabilities							
Financial Liabilities							
Borrowings		12,780.00	-	12,780.00	11,004.00	-	11,004.00
Trade payables		699.49	-	699.47	1,541.86	-	1,541.86
Other financial liabilities		1,045.14	-	1,045.14	633.24	-	633.24
Other Current Liabilities		56.32	-	56.32	230.88	-	230.88
Current Tax Liabilities (Net)		61.50	-	61.50	586.98	-	586.98
		14,642.45	-	14,642.43	13,996.96	-	13,996.96
TOTAL EQUITY AND LIABILITIES		113,964.48	(1,059.87)	112,904.59	117,404.46	(1,817.19)	115,587.27

Notes to the Financial Statements

for the year ended 31 March, 2017

(II) Reconciliation of statement of profit and loss for the year ended 31st March, 2016

Particulars	Foot Note	For the year ended 31st March, 2016		
		IGAAP	Adjustment	Ind AS
INCOME :				
Revenue from Operations		29,245.45	-	29,245.45
Other Income	I, C	503.37	1,073.24	1,576.61
Total Income (1)		29,748.82	1,073.24	30,822.06
EXPENSES				
Operating expenses		3,488.83	-	3,488.83
Employee benefit expense	D	1,415.16	7.00	1,422.16
Finance costs	M	5,877.69	291.67	6,169.36
Depreciation and amortisation expense	B, N	7,741.88	(7,459.26)	282.62
Impairment of Goodwill	N	-	7,601.42	7,601.42
Other expenses	O	584.43	-	584.43
Total Expenses (2)		19,107.99	440.83	19,548.82
Profit Before Tax (1-2)		10,640.83	632.41	11,273.24
Tax Expense				
Current tax		1,418.48	-	1,418.48
Deferred tax	G	13.00	171.34	184.34
Profit for the year		9,209.35	461.07	9,670.42
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurement of Employee benefit expenses	D, F	-	7.00	7.00
Income tax relating to items that will not be reclassified to profit or loss	G	-	(2.42)	(2.42)
Total Other Comprehensive Income for the year		-	4.58	4.58
Total Comprehensive Income for the year (3+4)		9,209.35	465.65	9,675.00

(III) Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016

Nature of Adjustments	Foot Note	For the year ended 31st March, 2016
Profit after tax as reported under previous Indian GAAP		9,209.35
Impact of valuation of security deposits using Effective rate of interest	I, C	1,053.83
Remeasurement of employee benefit plan (Gratuity)	D	(7.00)
Impact of Fair Valuation of Mutual Fund	C	19.40
Impact of fair valuation of Property, plant and equipment	B, N	(142.16)
Impact of amortisation of Loans and Borrowings	M	(291.66)
Deferred Taxes	G	(171.34)
Net Profit after tax under IND AS (1)		9,670.42
Other Comprehensive Income (Net of tax) (2)	D, F	4.58
Total Comprehensive Income as reported under Ind AS (3=1+2)		9,675.00

Notes to the Financial Statements

for the year ended 31 March, 2017

(IV) Reconciliation of equity as at 31st March, 2016 and 1st April, 2015

(₹ in Lakhs)

Nature of Adjustments	Foot Note	As at 31st March, 2016	As at 1st April, 2015
Equity as per previous Indian GAAP (1)		67,116.80	58,482.51
Impact of fair valuation of Property, plant and equipment	B	4,631.03	4,688.89
Impairment of Goodwill	N	(84.30)	-
Impact of amortization of security deposits and Corporate Guarantee	I, O	(5,578.06)	(6,538.09)
Impact of amortisation of Loans given	L	(2,485.80)	(2,391.61)
Impact on fair valuation of mutual fund	C	19.40	(188.00)
Impact of amortisation of Loans and Borrowings	M	425.70	717.37
Deferred Taxes	G	2,437.86	2,611.62
Total Effect of transition to Ind AS (2)		(634.17)	(1,099.82)
Equity as per Ind AS (1+2)		66,482.63	57,382.69

A. To comply with the Companies (Accounting Standard) Rules, 2006, IGAAP financials have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013, which have not been disclosed under adjustment column.

B. Property, Plant & Equipment

Under the IGAAP, Property, plant and equipment and other intangible assets are recorded at carrying cost. Under Ind AS, Property, plant and equipment and other intangible assets are recognized at fair value on the date of transition as deemed cost. Difference between fair value of Property, plant and equipment and other intangible assets and the carrying value (transaction value) as per IGAAP has been recognized under retained earnings (net of tax).

C. Investment

Investments in mutual funds are carried at fair value through Profit and loss under Ind AS compared to being carried at cost under IGAAP.

D. Employee Benefits Expenses (Gratuity)

Both under IGAAP and Ind AS, the Company recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, the entire cost, including actuarial gains and losses, are charged to profit and loss. Under Ind AS, re-measurements are recognized in other comprehensive income. Net of related Income Tax.

E. ESOP

Compensation expenses relating to share based payment (ESOP) is recognized at fair value of options as per Ind AS 102 Share Based

Payments as compared to being carried at intrinsic value under IGAAP. As per Ind AS 102 ESOP compensation expenses on account of option granted to employees of subsidiaries has been reclassified from Loans and advances – subsidiaries to Investment in subsidiaries.

F. Other comprehensive income

Under IGAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled profit or loss as per IGAAP to profit or loss as per Ind AS. Further, I GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

G. Deferred tax

IGAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. 'Ind AS 12 Income Taxes' requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of 'Ind AS 12 Income Taxes' approach has resulted in recognition of deferred tax on new temporary differences which was not required under IGAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or a separate component of equity.

H. Retained earnings as at April 1, 2015 has been

Notes to the Financial Statements

for the year ended 31 March, 2017

adjusted consequent to the above Ind AS transition adjustments.

I. Security Deposit

Under the IGAAP, interest free security deposits are recorded at their transaction value. As per Ind AS 109, debt instruments are required to be measured at amortized cost. Accordingly, the Company has measured the security deposits as per Ind AS 109 at amortized cost. Difference between amortised cost of security deposits and the carrying value (transaction value) as per IGAAP at the transition date has been recognised in retained earnings.

J. Statement of cash flows

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2016 as compared with the IGAAP, except investment in mutual fund disclosed under cash and cash equivalent under IGAAP now disclosed under current investments.

K. Financial assets and financial liabilities have been regrouped wherever required to comply with Ind AS.

L. Interest free loan

In the financial statements prepared under IGAAP, the carrying value of Interest free loan was recognized at the principal amounts payable by the borrower. Under Ind AS, Interest free borrowing being a financial liability is required to be recognized initially at fair value and

subsequently measured at amortized cost using the effective interest method. The difference between such fair value and the carrying value is recognized as deferred income disclosed under other liabilities.

M. Loans and Borrowings

This is the category most relevant to the Company. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortization is included as finance cost in the statement of profit and loss.

This category generally applies to borrowings.

N. Goodwill

In the financial statements prepared under Previous GAAP, acquired Goodwill was amortized over its useful life not exceeding five years unless a longer period could be justified. Under Ind AS, Goodwill is not required to be amortized but needs to be tested for impairment at least annually.

O. Corporate Guarantee

Impact of fair valuation as per requirement of Ind AS on corporate guarantee provided to the company by the subsidiary company.

As per our attached report of even date

For **Shah Gupta & Co.**

Chartered Accountants

Firm Registration No: 109574W

Vipul K Choksi

Partner

M.No. 37606

Date : 16th May, 2017

Place : Mumbai

For and on behalf of the Board of Directors

N K Jain

Chairman

DIN : 00019442

Lalit Singhvi

CFO-Sr VP Finance & Commercial

Capt. BVJK Sharma

JMD & CEO

DIN : 00017758

Gazal Qureshi

Company Secretary

M No. A16843

Independent Auditors' Report

To the Members of JSW INFRASTRUCTURE LIMITED

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **JSW INFRASTRUCTURE LIMITED** ("the Company"), and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Company.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group as at 31st March, 2017 and its consolidated profit, its consolidated cash flows and consolidated changes in equity for the year then ended.

Other Matter

We have not audited the financial statements of one foreign subsidiary included in the Consolidated Financial Results, whose financial statements reflect total assets of ₹ 691.35 Lakhs as at 31st March, 2017 and the total revenue of ₹ 369.51 Lakhs for the year ended 31st March, 2017 respectively. These financial statements are unaudited and have been certified by the Company's Management and our opinion, in so far as it relates to the amount included in respect of the foreign subsidiary, is based solely on the basis of these certified financial statements. In our opinion and according to information and explanations given to us, these financial statements/information are not material to the Group. Our opinion on the Consolidated Financial Results is not modified in respect of our reliance on the financial statements certified by the Management.

Report on other legal and regulatory requirements

1. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in the Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act as applicable.
- (e) On the basis of the written representations received from the Directors of the Company as on March 31, 2017 taken on record by the Board of Directors of the Company and the reports of statutory auditors of its subsidiaries, none of the directors of the Group Companies is disqualified as on March 31, 2017 from being appointed as a Director in terms of sub-section (2) of Section 164 of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**, which is based on the Auditors' Reports of the Company and its Subsidiaries incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting of the Company and its Subsidiaries incorporated in India.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
- ii. The Group did not have any outstanding long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in the consolidated Ind AS financial statements as regards the Holdings and dealings in Specified Bank Notes as envisaged in the Notification G.S.R. 308 (E) dated March 30, 2017 during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with relevant books of account maintained by the those entities for the purpose of preparation of the consolidated Ind AS financial Statement and as produced to us by the Management. Refer Note – 47.

For **SHAH GUPTA & CO.**

Chartered Accountants

Firm Registration No.: 109574W

Vipul K. Choksi

Partner

M.No.: 37606

Place : Mumbai

Date : May 16, 2017

Annexure - A to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **JSW INFRASTRUCTURE LIMITED** ("the Company") and its subsidiaries incorporated in India, as at 31st March, 2017 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its Subsidiaries incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting of the Company and its Subsidiaries incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to

error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company and its Subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note.

For **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No.: 109574W

Place : Mumbai
Date : May 16, 2017

Vipul K. Choksi
Partner
M.No.: 37606

Consolidated Balance Sheet

as at 31 March, 2017

Particulars	Note no.	(₹ in Lakhs)		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	2	220,869.21	136,796.39	105,771.95
Capital Work-in-progress	2	37,368.05	36,717.23	42,629.89
Goodwill	3	15,419.32	22,467.06	30,068.48
Other Intangible Assets	3	36,748.40	26,319.14	28,165.96
Intangible Assets Under Development	3	632.64	724.17	252.04
Financial Assets				
Other financial assets	4	6,111.51	9,377.16	12,196.29
Other Non-Current Assets	6	22,853.95	15,725.58	4,530.15
Total Non-Current Assets		340,003.08	248,126.73	223,614.76
Current Assets				
Inventories	7	3,432.83	4,916.27	1,847.61
Financial Assets				
Investments	8	9,464.30	6,457.31	2,361.38
Trade receivables	9	19,850.41	16,905.30	7,428.60
Cash and cash equivalents	10	3,599.91	8,478.75	1,590.97
Bank balances other than cash and cash equivalents	11	3,552.43	2,676.80	2,221.94
Loans	12	2,472.43	3,320.35	4,518.35
Other financial assets	13	974.05	793.59	1,491.25
Current Tax Assets (Net)	5	4,764.84	1,481.99	1,013.26
Other Current Assets	14	21,022.12	16,704.94	17,615.75
Total Current Assets		69,133.32	61,735.30	40,089.11
TOTAL ASSETS		409,136.40	309,862.03	263,703.87
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	15	5,684.76	5,684.76	5,684.76
Other Equity	16	179,790.61	148,528.99	126,922.23
Equity attributable to Owners of the Company		185,475.37	154,213.75	132,606.99
Non-Controlling Interests	16	15,651.00	13,973.65	11,263.81
Total Equity		201,126.37	168,187.40	143,870.80
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	17	86,634.97	81,372.39	76,534.81
Other financial liabilities	18	6,315.94	2,604.78	2,230.76
Provisions	19	288.38	225.92	168.22
Deferred Tax Liabilities (Net)	5	13,472.26	9,219.60	7,646.74
Total Non-Current Liabilities		106,711.55	93,422.69	86,580.53
Current Liabilities				
Financial Liabilities				
Borrowings	20	72,026.37	29,562.36	16,850.57
Trade payables	21	9,755.50	2,817.30	4,942.56
Other financial liabilities	22	6,740.03	5,181.69	5,569.71
Other Current Liabilities	23	10,722.22	10,104.38	5,121.32
Provisions	24	1,139.34	516.53	181.37
Current Tax Liabilities (Net)	5	915.02	69.68	587.01
Total Current Liabilities		101,298.48	48,251.94	33,252.54
TOTAL EQUITY AND LIABILITIES		409,136.40	309,862.03	263,703.87
Significant Accounting Policies and Key Accounting Estimates and Judgements	1			

The accompanying notes form an integral part of financial statements.

As per our attached report of even date

For **Shah Gupta & Co.**

Chartered Accountants

Firm Registration No: 109574W

For and on behalf of the Board of Directors

N K Jain

Chairman

DIN : 00019442

Capt. BVJK Sharma

JMD & CEO

DIN : 00017758

Vipul K Choksi

Partner

M.No. 37606

Date : 16th May, 2017

Place : Mumbai

Lalit Singhvi

CFO-Sr VP Finance & Commercial

Gazal Qureshi

Company Secretary

M No. A16843

Consolidated Statement of Profit and Loss

for the year ended 31 March, 2017

(₹ in Lakhs) (Except EPS)

Particulars	Note no.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
INCOME			
Revenue from Operations	25	88,778.36	72,012.02
Other Income	26	5,860.92	3,151.69
Total income (1)		94,639.28	75,163.71
EXPENSES			
Operating Expenses	27	20,312.04	16,678.74
Employee Benefit Expense	28	6,023.11	4,444.60
Finance Costs	29	9,021.43	8,657.81
Depreciation and Amortisation Expense	30	8,216.94	7,427.64
Impairment of Goodwill		7,047.74	7,601.42
Other Expenses	31	4,461.73	2,904.35
Total Expenses (2)		55,083.00	47,714.56
Profit before tax (1-2)		39,556.28	27,449.16
Tax expense			
Current tax	5	4,265.55	2,488.44
Deferred tax	5	4,251.66	1,569.65
Profit for the year (3)		31,039.07	23,391.06
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of Employee benefits expenses		(10.58)	28.71
Income tax relating to items that will not be reclassified to profit or loss		3.58	(9.95)
Total Other comprehensive income/(loss) for the year (4)		(7.00)	18.76
Total comprehensive income for the year (3+4)		31,032.07	23,409.83
Profit for the year attributable to:			
-Owners of the company		29,361.84	22,162.40
-Non-controlling interest		1,677.20	1,228.67
Other comprehensive income for the year attributable to:			
-Owners of the company		(7.08)	19.44
-Non-controlling interest		0.08	(0.67)
Total comprehensive income for the year attributable to:			
-Owners of the company		29,354.77	22,181.83
-Non-controlling interest		1,677.28	1,228.00
Earnings per equity share (₹)			
(Face value of equity share of ₹ 10 each)			
Basic (₹)	46	51.65	38.99
Diluted (₹)	46	51.51	38.80
Significant Accounting Policies and Key Accounting Estimates and Judgements	1		

The accompanying notes form an integral part of financial statements.

As per our attached report of even date

For **Shah Gupta & Co.**

Chartered Accountants

Firm Registration No: 109574W

For and on behalf of the Board of Directors

N K Jain

Chairman

DIN : 00019442

Capt. BVJK Sharma

JMD & CEO

DIN : 00017758

Vipul K Choksi

Partner

M.No. 37606

Date : 16th May, 2017

Place : Mumbai

Lalit Singhvi

CFO-Sr VP Finance & Commercial

Gazal Qureshi

Company Secretary

M No. A16843

Consolidated Statement of Cash Flows

for the year ended 31 March, 2017

Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
[A] CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	39,556.28	27,449.16
Adjustments for:		
Impairment of goodwill	7,047.74	7,601.42
Depreciation and amortisation expense	8,777.34	6,638.68
Allowance for doubtful debts and advances	70.87	38.58
Finance costs	9,021.43	8,657.81
Share based payment expenses	1,906.85	(575.06)
Interest income	(2,054.80)	(3,197.62)
Impact of fair valuation using effective interest rate	119.36	1,382.12
Profit on sale of investments (net)	(969.98)	(441.46)
Impact of Fair Valuation of Mutual Fund	114.44	59.23
(Profit)/ loss on sale of fixed assets (net)	133.66	(62.04)
Operating profit before working capital changes	63,723.19	47,550.82
Adjustments for:		
(Increase)/ Decrease in trade and other receivables	(10,647.75)	(16,467.24)
(Increase)/ Decrease in inventories	1,483.42	(3,068.67)
Increase/ (Decrease) in trade and other payables	12,825.59	4,325.65
Increase/ (Decrease) in provisions	2,489.82	1,008.39
Cash generated from operating activities	69,874.27	33,348.95
Direct taxes paid (net of refunds)	(8,513.63)	(4,068.04)
Net cash generated from operating activities [A]	61,360.64	29,280.91
[B] CASH FLOWS FROM INVESTING ACTIVITIES		
Inflows		
Sale of property, plant and equipment and intangible assets	48.61	240.45
Sale of current investments	106,905.51	147,076.43
Interest received	2,054.79	3,197.62
	109,008.91	150,514.50
Outflows		
Purchase of property, plant and equipment and intangible assets	104,030.78	30,554.19
Purchase of investments	109,056.97	150,790.13
Investment in FD	875.61	454.88
	213,963.36	181,799.20
Net Cash used in investing activities [B]	(104,954.45)	(31,284.70)
[C] CASH FLOWS FROM FINANCING ACTIVITIES		
Inflows		
Proceeds from long-term borrowings	18,672.24	51,832.31
Proceeds from short-term borrowings	42,464.00	12,711.79
	61,136.24	64,544.10
Outflows		
Repayments of long-term borrowings	13,616.14	47,372.06
Interest paid	8,805.13	8,280.48
	22,421.27	55,652.54
Net cash generated from financing activities [C]	38,714.97	8,891.56
NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES (A+B+C)	(4,878.84)	6,887.77
Cash and cash equivalents at beginning of the year	8,478.75	1,590.97
Cash and cash equivalents at end of the year	3,599.91	8,478.75

The accompanying notes form an integral part of financial statements.

As per our attached report of even date

For **Shah Gupta & Co.**

Chartered Accountants

Firm Registration No: 109574W

For and on behalf of the Board of Directors

N K Jain

Chairman

DIN : 00019442

Capt. BVJK Sharma

JMD & CEO

DIN : 00017758

Vipul K Choksi

Partner

M.No. 37606

Date : 16th May, 2017

Place : Mumbai

Lalit Singhvi

CFO-Sr VP Finance & Commercial

Gazal Qureshi

Company Secretary

M No. A16843

Consolidated Statement of Changes in Equity

for the year ended 31 March, 2017

A) EQUITY SHARE CAPITAL

	Changes in equity share capital during the year	Balance as at 31-03-2017
Balance as at 01-04-2016	-	5,684.76

(₹ in Lakhs)

	Changes in equity share capital during the year	Balance as at 31-03-2016
Balance as at 01-04-2015	-	5,684.76

(₹ in Lakhs)

B) OTHER EQUITY

Particulars	Retained Earnings	Securities Premium Reserve	Debenture Redemption Reserve	Share Options Outstanding	Capital Reserve	Money received against warrants	Total equity attributable to equity holders of the Company	Non-controlling interests	Total
Balance as at 01st April, 2015	74,645.89	34,876.62	10,000.00	1,401.05	5,989.73	8.94	126,922.23	11,263.81	138,186.03
Profit for the year	22,162.40	-	-	-	-	-	22,162.40	1,228.67	23,391.07
Money received against equity share warrants forfeited, option not exercised by warrant holders	-	-	-	-	8.94	(8.94)	-	-	-
Compensation on ESOP withdrawn during the year	-	-	-	(575.06)	-	-	(575.06)	-	(575.06)
Additions during the year	-	-	-	-	-	-	-	1,481.85	1,481.85
Other comprehensive income / (loss) for the year	19.44	-	-	-	-	-	19.44	(0.67)	-
- Remeasurements gains / (loss) on defined benefit plans	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2016	96,827.72	34,876.62	10,000.00	825.99	5,998.67	-	148,528.99	13,973.65	162,502.65

Particulars	Retained Earnings	Securities Premium Reserve	Debenture Redemption Reserve	Share Options Outstanding	Capital Reserve	Money received against warrants	Total equity attributable to equity holders of the Company	Non-controlling interests	Total
Balance as at 01st April, 2016	96,827.72	34,876.62	10,000.00	825.99	5,998.67	-	148,528.99	13,973.65	162,502.65
Profit for the year	29,361.84	-	-	-	-	-	29,361.84	1,677.20	31,039.05
Current year transfer	-	-	-	1,906.85	-	-	1,906.85	-	1,906.85
Additions during the year	-	-	-	-	-	-	-	0.07	0.07
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-	-
- Remeasurements gains / (loss) on defined benefit plans	(7.08)	-	-	-	-	-	(7.08)	0.08	(7.00)
Balance as at 31st March, 2017	126,182.49	34,876.62	10,000.00	2,732.84	5,998.67	-	179,790.61	15,651.00	195,441.61

(₹ in Lakhs)

For and on behalf of the Board of Directors

As per our attached report of even date

For Shah Gupta & Co.

Chartered Accountants
Firm Registration No: 109574W

Capt. BVJK Sharma
JMD & CEO
DIN : 00017758

Vipul K Choksi
Partner
M.No. 37606

Date : 16th May, 2017
Place : Mumbai

Lalit Singhvi
CFO-Sr VP Finance & Commercial

Gazal Qureshi
Company Secretary
M No. A16843

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

COMPANY OVERVIEW

The Consolidated financial statements comprise financial statements of JSW Infrastructure Limited ("the Company" or "the Parent") and its subsidiaries (Collectively "the group") for the period March 31, 2017. The Company is a public limited company, domiciled in India and incorporated in under the provision of Companies Act applicable in India. The registered office of the Company is located at JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai - 400 051.

The Parent and its subsidiaries (together referred to as a 'Group') are engaged in developing and operating mechanized modern ports at suitable locations over the country to support JSW Group in addition to catering to third party cargo handling requirement. Apart from this, the Group is also planning to undertake various logistic related activities like Shipping, Roads, Railways, Marine Infrastructures, etc.

Name of the Company	Country of Incorporation	Shareholding either directly or through subsidiaries	Nature of Operations (commenced/ planned)
JSW Jaigarh Port Limited	India	100%	Port Services
South West Port Limited	India	74%	Port Services
JSW Shipyard Private Limited	India	100%	Ship building & repair
JSW Jaigarh Infrastructure Development Private Limited	India	100%	Infrastructure facility
Nalwa Fintrade Private Limited	India	100%	Consultancy Services
Vanity Fintrade Private Limited	India	100%	Consultancy Services
Dhamankhol Fintrade Private Limited	India	100%	Consultancy Services
JSW Nandgaon Port Private Limited	India	100%	Port Services
JSW Dhamantar Port Private Limited	India	100%	Port Services
JSW Terminal (Mormugao) Private Limited	India	100%	Port Services
Masad Marine Services Private Limited	India	100%	Port Services
Jaigarh Digni Rail Limited	India	63%	Railway Network
JSW Salav Port Private Limited	India	100%	Port Services
JSW Paradip Terminal Private Limited	India	93.24%	Port Services
Paradip East Quay Terminal Pvt Ltd.	India	93.24%	Coal Berth
JSW Terminal Middleast FZE	United Arab Emirates	100%	Port Services

1. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1.1 Basis of preparation of consolidated financial statements

The financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) under the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements are the first financial statements of the Company under Ind AS. Refer first time adoption note for an explanation of how the transition from the previously applicable Indian GAAP (hereinafter referred to as 'IGAAP')

to Ind AS has affected the financial position, financial performance and cash flows.

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these consolidated financial statements.

The Group has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 "First-time Adoption of Indian Accounting Standards". The transition was carried out from Indian Accounting Principles

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Principles of Consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Balance Sheet respectively.

The financial statements of all entities used for the purpose of consolidation are drawn upto same reporting date as that of parent company. When end of the reporting period of the parent is different from that of subsidiary, the subsidiary prepares, for consolidation purpose, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of

control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity. When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the Statement of Profit and Loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the Statement of Profit and Loss where appropriate.

1.3 Significant Accounting Policies

1. Business Combination

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

In case of business combinations involving entities under common control, the above policy does not apply. Business combinations involving entities under common control are accounted for using the pooling of interest method. The net assets of the transfer or entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonize accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

2. Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed.

Goodwill is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

3. Property, Plant and Equipment

Property, plant and equipment are measured at acquisition cost less accumulated depreciation and accumulated impairment losses. Costs directly attributable to acquisition are capitalized until the property,

plant and equipment are ready for use, as intended by Management. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method as prescribed under Part C of schedule II of the Companies Act, 2013 except for the assets mentioned below for which useful life estimated by the management. The Identified components of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets.

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

Assets	Estimated useful lives
Building	5-28 Years
Plant and Machinery	5-15 Years
Office equipment	3-20 Years
Computer equipment	3-6 Years
Furniture and fixtures	5-15 Years
Vehicles	8-10 Years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Freehold land is not depreciated and Leasehold land is amortized over the period of lease.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed-off are reported at the lower of the carrying value or the fair value less cost to sell.

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the consolidated Statement of Profit and Loss when the item is derecognized.

4. Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful lives of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Port concession rights arising from Service Concession/Sub-Concession

The Group recognizes port concession rights as "Intangible Assets" arising from a service concession arrangement, in which

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

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

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

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

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

5. Cash and Cash Equivalents

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

6. Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

7. Leases

Assets given/taken on lease in which a significant portion of the risks and rewards of ownership are not transferred to the lessee are classified as operating leases. Lease payment/Income made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the Payments/Receipts are structured to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases.

Group as lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to ownership to the group is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance cost in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the period in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the assets is depreciated over the shorter of the estimated useful life of the

asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

Group as a lessor

Leases in which the group does not transfer substantially all the risk and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased assets and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

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

8. Fair Value Measurement

The Group measures financial instruments at fair value in accordance with accounting policies at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

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

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

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

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

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

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

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

9. Financial instruments

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

a) Investments and other financial assets

Classification

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

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

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

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

Initial recognition and measurement

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

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

Sub-sequent measurement

After initial recognition, financial assets are measured at:

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

Debt instruments

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

Measured at amortised cost

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

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

Gains or Losses on De-recognition

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

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

Measured at fair value through profit or loss (FVTPL)

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

Gains or Losses on De-recognition

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

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

Equity Instruments

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

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

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

Impairment of financial assets:

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivable only, the Group applies the simplified approach permitted by Ind AS - 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

De-recognition:

A financial asset is de-recognised only when

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

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

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

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of

continuing involvement in the financial asset.

Income recognition

Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

b) FINANCIAL LIABILITIES

Financial liabilities

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

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

Subsequent measurement Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition

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

Offsetting financial instruments

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

10. Provisions, Contingent liabilities, Contingent assets and Commitments

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

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

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

If the effect of the time value of money is material, provisions are discounted using

a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

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

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

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

11. Earnings per Equity Share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

12. Taxes

Tax expense comprises current and deferred income tax.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax [including Minimum Alternate Tax (MAT)] is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date.

Current income tax relating to items recognize outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax item are recognized in correlation to the underline transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions where appropriate.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred tax relating to items recognized outside the statement of profit and loss are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future. The group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to share premium.

Some of the subsidiaries are also eligible for tax deduction available under section 80IA of the Income Tax Act, 1961 for a period of 10 year out of eligible period of 15 years. In view of the Company and some of the subsidiaries availing tax deduction under section 80IA of the Income Tax Act, 1961, deferred tax has been recognised in respect of temporary difference, which reverses after the tax holiday period in the year in which the temporary difference originate and no deferred tax (assets or liabilities) is recognised in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax the temporary difference is which originate first are considered to reverse first.

The group recognizes tax credit in the nature of Minimum Alternative Tax(MAT) credit as assets only to the extent that there is sufficient taxable temporary difference/convincing evidence that group will pay normal income tax during the specified period, i.e. the period for which tax credit is allowed to be carried forward. In the year

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

in which group recognizes tax credits as an asset, the said assets is created by way of tax credit to the consolidated statement of profit and loss. The Group reviews the such tax credit assets at each reporting date and rights down the asset to the extent the group does not have sufficient taxable temporary difference/convincing evidence that it will pay normal tax during the specified period. Deferred Tax credit includes MAT tax credit.

13. Foreign Currency Translation

The consolidated financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency. Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Foreign currency borrowing is a long-term foreign currency monetary item which is remeasured at each period end date at the exchange rate.

Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities are translated at the closing rate at the date of that Balance Sheet
- b) income and expenses are translated at average exchange rates (unless this is

not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

- c) all resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to the Statement of Profit and Loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

14. Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

15. Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits

Payments to defined contribution schemes are recognized as an expense when employees have rendered the service entitling them to the contribution. The cost of providing benefits under the defined benefit scheme is determined using the projected unit credit method with actuarial valuations being carried out at each Balance Sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The parent Company

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

and its Indian subsidiaries operate defined contribution plans pertaining to Employee State Insurance Scheme for all applicable employees.

Gratuity

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profit in the Statement of Profit and Loss.

Provident fund

Eligible employees of Group receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected

unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

Stock based compensation

The compensation cost of the stock options granted to employees is calculated using the Fair value of the stock options. The compensation expense is amortized uniformly over the vesting period of the option.

16. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of the when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

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

17. Other Income

Other income is comprised primarily of interest income, mutual fund income, exchange gain / loss. All debts instrument measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

the effective interest rate (EIR). EIR is the rate exactly discounts the estimated cash payments or receipt over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of financial liability. When calculating the EIR, the group estimates the expected cash flow by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Mutual fund is recognized at fair value through Profit and Loss.

18. Inventory

Consumables, construction materials and stores and spares are valued at lower of cost and net realizable value. Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for. Cost is determined by the weighted average cost method.

19. Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets. Borrowing costs are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. All other borrowing costs are expensed as incurred. Borrowing costs consist of interest and other cost that an entity incurs in connection with the borrowing of funds. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

20. Segment Reporting

The group is primary engaged in the segment of "Port Services" and there are no reportable segments as per IND AS 108 – Operating Segments.

21. Rounding of Amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.'

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of consolidated financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Group is evaluating the requirements of the amendment and the effect on the consolidated financial statements is being evaluated.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance for the measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled, share based payment transaction, the transaction is accounted for as such from the date of modification. Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the authority is treated as if it was part of an equity settlement.

The Group is evaluating the requirements of the amendment and the effect on the consolidated financial statements is being evaluated.

1.4 Recent Accounting Pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

1.5 Key accounting estimates and Judgments

The preparation of the Group's consolidated financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

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

Property, plant and equipment

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

Taxes

The group has two tax jurisdiction i.e. at India and UAE, though the Company also files tax return in other overseas jurisdiction. Significant judgements are involved in determining the provision for income taxes.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

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

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

NOTE 2:- PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and machinery (Owned)	Furniture and fittings	Office equipments	Computers	Vehicles	Total	Capital work-in-progress
Cost:										
As at 1-04-2015*	19,125.69	13,419.22	42,293.66	30,390.03	247.98	113.01	54.42	127.95	105,771.95	42,629.89
Additions	916.98	-	32,923.08	1,898.98	48.33	72.90	10.20	41.77	35,912.25	32,593.30
Disposals/transfers	-	-	-	13.92	2.20	1.01	-	10.10	27.22	38,505.96
As at 31-03-2016	20,042.67	13,419.22	75,216.74	32,275.09	294.11	184.90	64.62	159.62	141,656.98	36,717.23
Additions	102.13	-	43,818.83	45,023.34	88.67	49.62	5.50	136.39	89,224.47	83,980.63
Disposals/transfers	-	-	149.60	11.60	2.33	1.45	-	16.85	181.82	83,329.81
As at 31-03-2017	20,144.80	13,419.22	118,885.97	77,286.83	380.45	233.07	70.12	279.16	230,699.63	37,368.05
Accumulated Depreciation:										
As at 1-04-2015										
Depreciation charge for the year	-	-	3,057.85	1,685.58	49.51	30.15	25.27	16.90	4,865.26	-
Disposals/transfers	-	-	-	1.29	0.63	2.75	-	-	4.67	-
As at 31-03-2016	-	-	3,057.85	1,684.29	48.88	27.40	25.27	16.90	4,860.59	-
Depreciation charge for the year	-	-	3,117.39	1,735.84	55.39	38.12	14.07	33.23	4,994.04	-
Disposals/transfers	-	-	17.40	3.67	1.79	1.15	-	0.20	24.21	-
As at 31-03-2017	-	-	6,157.84	3,416.46	102.48	64.37	39.34	49.93	9,830.42	-
Net book value										
As at 1-04-2015	19,125.69	13,419.22	42,293.66	30,390.03	247.98	113.01	54.42	127.95	105,771.95	42,629.89
At at 31-03-2016	20,042.67	13,419.22	72,158.89	30,590.80	245.23	157.50	39.35	142.72	136,796.39	36,717.23
At at 31-03-2017	20,144.80	13,419.22	112,728.13	73,870.37	277.97	168.70	30.78	229.23	220,869.21	37,368.05

* Assets are recognized at fair value on the date of transition as deemed cost

NOTE 3:- OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Buildings	Infra assets Plant and machinery	Furniture and fittings	Computer Software	Total	Goodwill	Intangible assets under development
Cost:							
As at 1-04-2015*	13,513.80	14,411.19	26.71	214.27	28,165.96	30,068.48	252.04
Additions	298.14	492.23	2.63	78.43	871.43	-	1,055.10
Disposals /transfers	-	228.63	-	30.77	259.41	-	582.97
Impairment of goodwill	-	-	-	-	-	7,601.42	-
Less: translation adjustments	-	-	-	-	-	-	-
As at 31-03-2016	13,811.94	14,674.79	29.34	261.93	28,777.98	22,467.06	724.17
Additions	39.50	13,526.32	3.88	107.12	13,676.82	-	310.16
Disposals /transfers	-	2.46	0.32	27.99	30.77	-	401.69
Impairment of goodwill	-	-	-	-	-	7,047.74	-
Impairment of Intangible asset under development	-	-	-	-	-	-	-
Less: translation adjustments	-	-	-	-	-	-	-
As at 31-03-2017	13,851.44	28,198.65	32.90	341.06	42,424.03	15,419.32	632.64
Accumulated amortisation:							
As at 1 April 2015							
Amortisation charge for the year	968.32	1,463.74	4.39	125.93	2,562.38	-	-
Disposals /transfers	-	95.66	-	7.89	103.54	-	-
Less: translation adjustments	-	-	-	-	-	-	-
As at 31-03-2016	968.32	1,368.08	4.39	118.04	2,458.84	-	-
Amortisation charge for the year	986.88	2,153.30	4.36	78.37	3,222.90	-	-
Disposals /transfers	-	2.19	0.23	3.68	6.11	-	-
Less: translation adjustments	-	-	-	-	-	-	-
As at 31-03-2017	1,955.20	3,519.18	8.52	192.73	5,675.63	-	-
Net book value:							
As at 1-04-2015	13,513.80	14,411.19	26.71	214.27	28,165.96	30,068.48	252.04
As at 31-03-2016	12,843.62	13,306.71	24.95	143.89	26,319.14	22,467.06	724.17
As at 31-03-2017	11,896.24	24,679.47	24.38	148.33	36,748.40	15,419.32	632.64

* Assets are recognized at fair value on the date of transition as deemed cost

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

NOTE 4:- NON-CURRENT FINANCIAL ASSETS-OTHERS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Security deposits	6,111.51	9,377.16	12,196.29
	6,111.51	9,377.16	12,196.29

NOTE 5:- TAXATION

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

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Current income tax (Mat liability)	9,729.63	6,105.84
Tax (credit) under Minimum Alternative Tax	(5,464.08)	(3,617.40)
Current Tax (a)	4,265.55	2,488.44
Deferred Tax (b)		
Relating to origination and reversal of temporary differences (continuing operations)	4,255.24	1,559.70
Total Expenses reported in the statement of profit and Loss (a+b)	8,520.79	4,048.14

Income Tax expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profit / (loss) before tax from continuing operations	40,081.31	27,661.36
Accounting profit / (loss) before income tax	40,081.31	27,661.36
Applicable tax rate	34.608%	34.608%
Computed tax expense	13,873.07	9,573.17
Expense not allowed for tax purpose	4,584.07	1,843.69
Additional allowances for tax purpose	(9,386.00)	(9,286.01)
Additional allowances for capital gain	21.09	0.87
MAT Liability	80.31	-
Interest on Income Tax Payable	7.29	-
Other temporary differences	(4,914.27)	356.73
Income tax expense charged to the statement of profit and loss	4,265.56	2,488.45
Total	4,265.56	2,488.45

The following table provides the details of income tax assets and income tax liabilities as of 31st March, 2017 and 31st March, 2016:

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income tax assets	4,764.84	1,481.99	1,013.26
Income tax liabilities	915.02	69.68	587.01
	3,849.82	1,412.31	426.25

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

Deferred tax relates to the following:

(₹ in Lakhs)

Particulars	Balance Sheet			Recognised in statement of profit or loss	
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Expenses allowable on payment basis	24.52	14.48	2.03	10.04	12.45
Unused tax losses / depreciation	1.18	1.18	(1.38)	-	2.57
Other items giving rise to temporary differences	(4,615.07)	(3,029.97)	(3,976.09)	(1,580.53)	939.38
Accelerated depreciation for tax purposes	(492.14)	(167.51)	-	(324.63)	(167.51)
Fair valuation of property, plant and equipment (PP&E)	(8,384.38)	(6,027.84)	(3,671.30)	(2,363.54)	(2,356.54)
Income tax relating to items that will not be reclassified to profit or loss from OCI	6.37	9.95	-	3.58	9.95
Deferred tax asset / (liability)	(13,459.52)	(9,199.70)	(7,646.74)	(4,255.08)	(1,559.70)
Net (income)/expense				(4,255.08)	(1,559.70)

Reconciliation of deferred tax assets / (liabilities) net:

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening balance	(9,199.70)	(7,646.74)
Tax income / (expense) during the period recognised in profit or loss	(4,259.66)	(1,552.97)
Closing balance	(13,459.36)	(9,199.71)

NOTE 6:- NON-CURRENT ASSETS-OTHERS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Capital advances	22,853.95	15,725.58	4,530.15
	22,853.95	15,725.58	4,530.15

NOTE 7:- INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Stores and spares	3,432.83	4,916.27	1,847.61
	3,432.83	4,916.27	1,847.61

NOTE 8:- CURRENT FINANCIAL ASSETS-INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Carried at fair value through profit and loss			
Investments in mutual funds	9,464.30	6,457.31	2,361.38
	9,464.30	6,457.31	2,361.38
Notes:			
Quoted investments			
Book value	9,464.30	6,457.31	2,361.38
Market value	9,464.30	6,457.31	2,361.38

NOTE 9:- TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured:			
Considered good	19,850.41	16,905.30	7,428.60
Considered Doubtful	70.87	38.58	-
Less: Allowance for doubtful debts	(70.87)	(38.58)	-
	19,850.41	16,905.30	7,428.60

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

NOTE 10:- CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with banks:			
In current accounts			
Dena Bank 1047	2.76	2.76	2.76
Andhra Bank 0007	5.59	5.35	5.09
Yes Bank 8037	9.67	8.99	18.06
Bank Of India 0115	3.40	56.44	30.06
South Indian Bank 1721	0.55	-	-
Punjab National Bank 2981	0.74	1.76	37.53
Axis Bank Ltd 5517	62.61	139.92	11.20
Axis Bank Ltd 6059	1.82	294.60	44.84
Axis Bank 7917	9.59	0.25	0.25
Axis Bank 3075	67.91	660.99	132.70
RBL 9840	37.43	11.39	-
Axis Bank Ltd - 1489	797.85	1,239.22	185.27
Axis Bank Ltd - 1090	84.05	88.39	121.48
State Bank of India - 7093	2.63	0.22	0.65
Andhra Bank Ltd - 0333	-	-	0.12
Yes Bank - 0363	351.98	-	-
IDBI Bank - 02868	0.26	0.17	0.00
Axis Bank-0222	123.58	84.69	41.35
Axis Bank-9001	7.64	4.18	4.08
RBL - 0100	16.59	5.54	-
SBI - 9603	2.79	1.04	-
Yes Bank - 9284	0.02	14.05	-
Dena Bank - 1147	1.11	0.14	0.17
State Bank Of India - 9684	2.39	1.32	0.18
Bank Of Maharashtra - 2444	1.57	1.57	1.57
Bank Of Maharashtra - 0045	0.82	0.82	0.82
Axis Bank - 3851	182.02	1,467.75	18.88
Axis Bank - 1287	27.69	102.88	21.76
Axis Bank - 0423	0.00	0.72	0.32
Axis Bank Ltd - 4442	66.04	35.72	69.99
Axis Bank Ltd -5142	4.68	2.42	10.68
Axis Bank Ltd - 8845	97.00	143.82	200.56
Vijaya Bank - 0323	0.12	0.12	0.12
National bank of Fujairah - 5312	200.95	-	-
Axis bank - 6471	4.38	0.15	1.00
Yes bank - 9464	1.60	13.37	-
Axis Bank - 6279	3.39	3.39	0.96
Axis Bank 7808	0.31	0.58	1.00
Axis bank - 9411	0.21	0.28	0.16
Vijaya Bank - 0321	0.16	0.16	0.18
Axis Bank - 4088	0.56	5.48	105.06
Axis Bank - 8979	4.68	-	-
Axis Bank - 3281	1.00	1.00	-
Axis Bank - 6415	5.62	5.65	0.19
Vijaya Bank - 0320	0.22	0.22	0.24
Axis Bank - 9699	0.21	977.03	-
RBL Bank - 8377	0.03	3.74	-
On fixed deposits	1,391.09	3,084.48	507.90
Cash on hand	12.59	5.96	13.78
	3,599.91	8,478.75	1,590.97

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

NOTE 11:- BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Fixed deposits with banks	3,552.43	2,676.80	2,221.94
	3,552.43	2,676.80	2,221.94

Margin money deposits with a carrying amount of ₹ 3552.43 Lakhs (March 31, 2016: ₹ 2676.80 Lakhs) are subject to charge for securing the Company's Bank Guarantee facility

NOTE 12:- CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loans to Others	2,472.43	3,320.35	4,518.35
	2,472.43	3,320.35	4,518.35

NOTE 13:- CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Security deposits	85.16	62.32	535.80
Others Receivables	888.89	731.27	955.45
	974.05	793.59	1,491.25

NOTE 14:- OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance to suppliers	2,535.91	2,232.14	1,473.53
Prepaid expenses	406.97	398.29	201.50
Statutory and other receivables	17,671.22	14,294.75	15,830.54
Other Advances	408.02	(220.24)	110.18
	21,022.12	16,704.94	17,615.75

NOTE 15:- SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised:			
71,000,000 Equity Shares of ₹ 10 each	7,100.00	7,100.00	7,100.00
80,000,000 Preference Shares of ₹ 10 each	8,000.00	8,000.00	8,000.00
	15,100.00	15,100.00	15,100.00
Issued, Subscribed and paid-up:			
5,68,47,632 Equity Shares of ₹ 10 each	5,684.76	5,684.76	5,684.76
	5,684.76	5,684.76	5,684.76

Notes:

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

Issued, Subscribed and paid up share capital	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balance at the beginning of the year	56847632.00	5,684.76	56847632.00	5,684.76
Movement during the year	-	-	-	-
Balance at the end of the year	56847632.00	5,684.76	56847632.00	5,684.76

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

(b) Terms / rights attached to equity shares:

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

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

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
JSW Infrastructure Fintrade Private Limited, the Holding Company along with its nominee shareholders	56004000.00	560.04	56004000.00	560.04
Nisarga Spaces Private Limited	31145.00	0.31	31145.00	0.31
Avani Spaces Private Limited	31145.00	0.31	31145.00	0.31

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

(e) There are not bonus shares issued during the period of five years immediately preceding the reporting date.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

NOTE 16:- OTHER EQUITY

Particulars	Retained Earnings	Securities Premium Reserve	Debt Redemption Reserve	Share Options Outstanding	Capital Reserve	Money received against warrants	Total equity attributable to equity holders of the Company	Minority Interest
Balance as at 01st April, 2015	74,645.89	34,876.62	10,000.00	1,401.05	5,989.73	8.94	126,922.23	11,263.81
Profit for the year	22,162.40	-	-	-	-	-	22,162.40	1,228.67
Money received against equity share warrants forfeited, option not exercised by warrant holders	-	-	-	-	8.94	(8.94)	-	-
Compensation on ESOP withdrawn during the year	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	(575.06)	-	-	(575.06)	-
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	-	1,481.85
- Remeasurements gains / (loss) on defined benefit plans	19.44	-	-	-	-	-	19.44	(0.67)
Balance as at 31st March, 2016	96,827.72	34,876.62	10,000.00	825.99	5,998.67	-	148,528.99	13,973.65

Particulars	Retained Earnings	Securities Premium Reserve	Debt Redemption Reserve	Share Options Outstanding	Capital Reserve	Money received against warrants	Total equity attributable to equity holders of the Company	Minority Interest
Balance as at 01st April, 2016	96,827.72	34,876.62	10,000.00	825.99	5,998.67	-	148,528.99	13,973.65
Profit for the year	29,361.84	-	-	-	-	-	29,361.84	1,677.20
Current year transfer	-	-	-	1,906.85	-	-	1,906.85	-
Additions during the year	-	-	-	-	-	-	-	0.07
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-
- Remeasurements gains / (loss) on defined benefit plans	(7.08)	-	-	-	-	-	(7.08)	0.08
Balance as at 31st March, 2017	126,182.48	34,876.62	10,000.00	2,732.84	5,998.67	-	179,790.60	15,651.00

(f) Nature and purpose of reserves:

- (1) **Debt redemption reserve:**
Debt Redemption reserve was created for redemption of debentures.
- (2) **Security premium account:**
Security premium account is created when shares are issued at premium. A company may issue fully paid-up bonus shares to its members out of the security premium reserve account, and company can use this reserve for buy-back of shares.
- (3) **Capital Reserve:**
Forfeiture of equity share warrant on account of option not exercised by the warrant holders.
- (4) **Terms of convertible warrants:**
The Company had issued and allotted Nil (March 31, 2016 Nil and March 31, 2015: 894,230) warrants entitling the holder to apply for and be allot one equity share of the Company of par value of ₹ 10/- each at Conversion price per Equity Share ₹ 1,221.69.
- (5) **Share option outstanding:**
For details of shares reserved under employee stock option (ESOP) of the Company refer note 40.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

for the year ended 31 March, 2017

NOTE 17:- NON-CURRENT FINANCIAL LIABILITIES-BORROWINGS

NOTE 17:- NON-CURRENT FINANCIAL LIABILITIES-BORROWINGS									
Particulars		As at			As at		As at		(₹ in Lakhs)
		31st March, 2017	31st March, 2016	As at 1st April, 2015	31st March, 2017	31st March, 2016	As at 1st April, 2015		
Secured loans									
Term loans from banks									
Debentures									
NOTE 17.1:- Nature of security and terms of repayment									
Lender	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	Rate of interest As at 1st April, 2015	Nature of security	As at 31st March, 2016	Repayment terms
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs						
From Banks:									
Consortium Loan (Lead Bank is Yes Bank)	4,768.02	-	-	Floating 10.60%			Loan is secured by way of first pari-passu charge on entire moveable and immovable fixed assets, current assets, receivables and proceeds both present and future including those of Project of JSW Dharamtar Port.		Repayable in quarterly installments from June 2018 to June 2030
Consortium Loan (Lead Bank is Axis Bank)	61,790.08	41,355.23	8,918.75	Floating 10.10%	Floating 10.35%	Floating 10.65%	First pari passu charge on company's all present and future assets		Repayable in quarterly installments from June 2018 to June 2030
Axis Bank	10,079.87	18,652.41	19,818.85	Floating 10.60%	Floating 10.35% to 10.60%	Floating 10.60% to 10.95%	First pari passu charge on fixed assets, current assets and receivables		Repayable in monthly installments from April 2017 to March 2019
Yes Bank	1,922.13	9,317.32	26,053.39	Floating 10.25%	Floating 10.25%	Floating 10.75%	First pari passu charge on company's all present and future assets		Repayable in quarterly installments from June 2018 to September 2019
Rathnakar Bank	3,832.45	1,525.50	-	Floating 10.40%	Floating 10.85%		Loan is secured by charge over all assets of JSW Dharamtar Port subject to a minimum of 1.2X.		This loan is repayable door to door i.e bullet repayment at the end of 10 years from the date of loan Oct15 or one quarter from payment of senior lender whichever is earlier.
Debenture	21,838.57	30,080.88	37,058.78	11.90%	11.90%	11.90%	- English mortgage charge assignment over all rights under the take or pay agreement with South West Port limited and JSW Jaigarh Port Limited :- Mortgage over immovable property :- Pledge of 51% shares of JSW Infrastructure Limited		Repayable in monthly installments from April 2017 to March 2019
Buyers Credit	41,505.77	2,963.25	309.86	LIBOR+Spread 28BP to 150BP	LIBOR+Spread 50BP to 55BP	LIBOR+Spread 50BP to 55BP	Against project facility		Repayable on demand
Bills payable	12,924.44	7,040.16	1,225.75	8.95% to 9.45%	9.30% to 9.65%	9.30% to 9.65%	First pari passu charge on company's all present and future assets		As per the contracts with vendors
	158,661.34	110,934.75	93,385.38						

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

NOTE 17.2:- Disclosure in financial statements

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured:			
Long term borrowings	86,634.97	81,372.39	76,534.81
Current maturity of long term borrowings	14,424.00	17,030.00	12,854.00
Unsecured:			
Short term borrowings	57,602.37	12,532.36	3,996.57
	158,661.34	110,934.75	93,385.38

NOTE 18:- NON-CURRENT OTHER FINANCIAL LIABILITIES

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Retention money	526.85	11.56	39.22
Security deposits	1,694.93	1,553.43	1,419.48
Others	4,094.15	1,039.80	772.06
	6,315.94	2,604.78	2,230.76

NOTE 19:- NON-CURRENT PROVISIONS

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Employee Benefits (refer note 44)	288.38	225.92	168.22
	288.38	225.92	168.22

NOTE 20:- CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured loans			
Debtentures	9,600.00	8,400.00	7,200.00
From banks	4,824.00	8,630.00	5,654.00
Bills payable			
From banks	57,602.37	12,532.36	3,996.57
	72,026.37	29,562.36	16,850.57

Note - Refer note 17.1 to 17.2

NOTE 21:- CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Due to Micro and Small Enterprises (Refer note 21.1)	50.70	42.59	9.25
Due to others	9,704.80	2,774.71	4,933.31
	9,755.50	2,817.30	4,942.56

NOTE 21.1:- Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Particulars	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.			
Principal Amount due to micro, small and medium enterprises	50.70	42.42	9.25
Interest due on above	-	0.17	-
	50.70	42.59	9.25

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

NOTE 22:- CURRENT-OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Interest accrues but not due on borrowing	338.33	663.74	511.23
Security deposit	2,566.02	2,592.68	2,631.70
Employee dues	484.02	231.12	400.03
Other payables	3,351.66	1,694.15	2,026.75
	6,740.03	5,181.69	5,569.71

NOTE 23:- OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advances from customers	78.94	440.16	325.09
Statutory dues	749.66	365.89	727.34
Retention money	1,404.09	1,133.52	373.34
Others	8,489.53	8,164.81	3,695.55
	10,722.22	10,104.38	5,121.32

NOTE 24:- SHORT-TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Employee benefits (refer note 44)	300.52	283.39	66.85
Other Provisions	838.82	233.14	114.52
	1,139.34	516.53	181.37

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

NOTE 25:- REVENUE FROM OPERATIONS

Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Port Dues	1,340.02	836.56
Pilotage & Tug hire	1,932.04	1,398.38
Berth Hire Charges	17,017.87	14,816.20
Cargo Handling income	51,549.64	36,201.32
Wharfage Income	2,726.79	2,145.25
Dust Suppression	239.24	242.92
Storage income	1,932.30	2,078.89
Commitment income	4.54	5,292.20
Cap dredging income	6,444.92	5,947.96
Grabs Transportation Charges	20.81	23.79
Other port service income	88.75	19.00
LNG Terminal Income	5,000.00	2,500.00
Other operating income	481.44	509.55
	88,778.36	72,012.02

NOTE 26:- OTHER INCOME

Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest income	2,054.80	3,197.62
EIR Interest	(119.36)	(1,382.12)
Gain on sale of investments(net)	855.54	382.23
Exchange gain (net)	2,402.04	-
Sale of scrap	182.35	99.84
Gain on sale of property, plant, equipment and Intangible assets	2.75	0.99
Miscellaneous income	482.80	853.13
	5,860.92	3,151.69

NOTE 27:- Operating Expenses

Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Cargo handling expenses	7,713.72	5,747.86
Tug and pilotage charges	1,171.91	1,887.92
Stores & spares consumed	797.23	776.33
Power & fuel	2,975.51	1,843.04
Repair & Maintenance		
Plant & Machinery	678.64	301.77
Buildings	2,271.90	2,136.42
Others	26.69	50.16
Fees to Regulatory Authorities	4,019.12	3,202.41
Other operating expenses	209.52	330.16
Barge Mooring - Unmooring	87.91	64.94
Channel navigational buoys expenses	5.55	4.44
Labour charges	62.64	50.58
Payloader hiring	215.79	160.06
Waterfront charges	75.91	122.65
	20,312.04	16,678.74

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

NOTE 28:- EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Salaries, Wages and bonus	3,755.13	3,820.13
Staff welfare expenses	326.03	294.48
Contributions to provident and other fund	195.00	175.53
Gratuity & Leave encashment expense (Refer note 41)	26.73	61.78
ESOP expenses (refer note 16(f)(5))	1,720.22	92.68
	6,023.11	4,444.60

NOTE 29:- FINANCE COSTS

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest on loans	7,309.68	6,604.68
EIR Interest	97.30	88.61
Interest on debentures	1,382.50	1,889.15
Other finance costs	231.95	75.37
	9,021.43	8,657.81

NOTE 30:- DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Depreciation on Tangible Assets	4,994.04	4,865.26
Amortisation on Intangible Assets	3,222.90	2,562.38
	8,216.94	7,427.64

NOTE 31:- OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Rent	53.23	36.04
Rates & taxes	352.02	228.66
Insurance	487.47	404.62
Legal, professional & consultancy charges	359.93	375.99
House keeping and horticulture expenses	36.27	30.06
Vehicle hiring & maintenance	237.29	239.91
Security charges	257.11	235.13
CSR expenses (Refer note 40)	423.99	357.79
Directors sitting fees	46.20	26.00
Remuneration to auditors (Refer note 33)	43.81	26.26
Loss on sale of property, plant, equipment and other intangible assets	136.42	(61.04)
Travelling expenses	143.91	50.05
Advertisement	28.32	29.03
General office expenses and overheads	1,485.92	880.76
Allowances for doubtful debts (net)	32.29	38.58
Bad debts written off	7.40	-
Foreign exchange loss	22.77	-
Others	307.37	6.51
	4,461.73	2,904.35

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

NOTE 32:- CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent Liabilities: (to the extent not provided for)				(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	
Customs duty against EPCG obligation	3,460.39	9,633.00	2,713.30	
Customs for bonded storage facility	400.00	400.00	400.00	
Bank Gurantee given to Paradip Port Trust	605.00	605.00	605.00	
Bank Gurantee given to Electricity Dept Goa	975.00	975.00	-	
Bank Guarantee	3,012.40	33,673.40	34,031.70	
Disputed income tax liability in respect of Assessment Year 2011-12	29.50	492.50	114.70	
Disputed Income tax liability in respect of Assessment Year 2012-13	46.10	131.30	46.10	
Disputed income tax liability in respect of AY 2008-09	253.85	-	-	
Disputed income tax liability in respect of AY 2009-10	-	693.10	693.10	
Disputed income tax liability in respect of AY 2010-11	520.20	520.20	983.20	
Disputed income tax liability in respect of AY 2013-14	1,609.67	2,474.00	-	
Disputed income tax liability in respect of AY 2014-15	1,777.72	-	-	
Disputed income tax liability in respect of AY 2015-16	8.23	-	-	
Demand raised by Mormugao Port Trust towards capital dredging of an approach channel at Berth No. 5A & 6A	846.20	846.20	-	
Letter of Credit	25,525.13	36,173.79	23,409.93	
Additional Collector Ratnagiri	51.00	51.40	-	
(c) Excise duty/ Customs duty/ Service tax liability that may arise in respect of matters in appeal	742.13	202.91	150.05	

Notes:

- The Group does not expect any reimbursement in respect of the above contingent liabilities.
- The disputed demand outstanding up to the said Assessment Year is ₹ 4245.27 Lakhs (31st March 2016 ₹ 4311.10 Lakhs and 31st March 2015 is ₹ 1837.10 Lakhs). Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the group has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly, no provision has been made.

B. Commitments: (net of advances)				(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	
Estimated amount of contracts remaining to be executed on capital account and not provided for	75,053.18	67,623.60	38,249.20	

NOTE 33:- PAYMENT TO AUDITORS

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016	(₹ in Lakhs)
Statutory Audit fees	39.10	21.57	
Tax Audit fees	3.85	3.85	
Out of Pocket expenses	0.87	0.84	
Others	14.39	2.98	
	58.21	29.24	

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

NOTE 34:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES

In terms of Indian Standard (Ind AS) 24 Related Party Disclosures, Indian Accounting Standard (Ind AS) 110 Consolidated Financial Statements and (Ind AS) 28 Investments in Associates and Joint Ventures in Consolidated Financial Statements specified by the Companies (Accounting Standards) Rules, 2015 (as amended), the Consolidated Financial Statements present the Consolidated Financial Statements of JSW Infrastructure Limited (the Parent Company) with its subsidiaries and associates as under:

(a) List of Related Parties

Name	Nature of Relation
JSW Investments Private Limited	Ultimate Holding Company
JSW Infrastructure Fintrade Private Limited	Holding company
Nisarga Spaces Private Limited	Fellow Subsidiary
Avani Spaces Private Limited	Fellow Subsidiary
West Waves Maritime and Allied Services Private Limited	Fellow Subsidiary
JSW Steel Limited	Others
JSW Energy Limited	Others
JSW Cement Limited	Others
Raj West Power Limited	Others
JSW Infrastructure Employees Welfare Trust	Others
South West Port Employees Welfare Trust	Others
JSW Infrastructure Group Gratuity Trust	Others
JSW Jaigarh Port Employee Welfare Trust	Others
JSW Global Business Solutions Limited	Others
Amba River Coke Limited	Others
JSW Steel Quoted Limited	Others
JSW IP Holdings Private Limited	Others
Jsoft Solutions Limited	Others

Key Managerial Personnel

Name	Nature of Relation
Capt BVJK Sharma	JMD & CEO
Lalit Singhvi	CFO (From 31/10/2015) & Sr VP Fin & Commercial
Manoj Kumar Mohta	CFO (Till 30/08/2015)
Gazal Qureshi	Company Secretary

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

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

Nature of transaction/relationship	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Purchase of goods and services		
JSW Steel Limited	2,128.47	4,573.29
JSW Ispat Steel Limited	1,439.33	680.40
JSW Cement Limited	315.98	240.20
JSW Steel Coated Product Limited	135.89	38.83
Jsoft Solution Private Limited	1.31	27.10
JSW IP Holding Limited	102.57	107.70
Total	4,123.55	5,667.52
Sales of goods and services		
JSW Ispat Steel Limited	17,352.03	15,567.78
JSW Cement Limited	-	208.10
JSW Coated Products Limited	206.45	87.70
JSW Energy Limited	15,974.01	18,993.51
Amba River coke Limited	6,921.81	2,507.95
JSW Steel Limited	18,965.09	17,547.41
Total	59,419.40	54,912.44
Payment of salaries, commission and perquisites		
Key Management Personnel		
Mr. Lalit Singhvi	116.41	33.56
Mr. Manoj Mohta	-	30.61
Ms Gazal Qureshi	17.37	16.13
Total	133.78	80.29
Reimbursement of expenses incurred by our behalf		
JSW Energy Limited	644.71	-
Total	644.71	-
Recovery of expenses incurred by us on their behalf		
Nisarga Spaces Pvt Limited	842.92	0.31
Avani Space Pvt Limited	1,183.74	0.26
West Waves Maritime And Allied Services Private Limited	453.90	453.61
Total	2,480.56	454.18

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

(c) Amount due to / from related parties

(₹ in Lakhs)

Nature of transaction/relationship	As at 31st March, 2017	As at 31st March, 2016
Accounts receivable		
JSW Ispat Limited	8,230.56	5,324.02
JSW Cement Limited	-	23.40
JSW Steel Limited	232.82	8,158.91
JSW Steel Coated Product Limited	37.70	37.70
JSW Energy Limited	3,601.72	5,178.61
Raj West Power Limited	-	0.17
JSW IP Holding Limited	-	0.10
Amba River coke Limited	2,229.37	485.93
Total	14,332.18	19,208.84
Accounts Payable		
JSW Ispat Limited	703.70	160.20
JSW Cement Limited	62.76	67.30
JSW Steel Limited	666.69	824.84
JSW Steel Coated Product Limited	-	5.47
JSOft Solution Limited	-	7.37
JSW IP Holding Limited	55.86	-
Total	1,489.00	1,065.18
Amount due to / from related parties (Contd.)		
Loans and advances receivables Other Related Party		
JSW Infrastructure Employees Welfare Trust	425.80	425.80
South West Employees Welfare Trust	375.70	375.70
JSW Jaigarh Port Employee Welfare Trusts	12.62	12.60
JSW Infrastructure Employee Welfare Trusts	41.60	41.60
JSW Infrastructure Group Gratuity Trust	0.20	0.20
Nisarga Spaces Pvt Limited	0.41	-
Avani Space Pvt Limited	3.30	126.30
West Waves Maritime and Allied Services Private Limited	0.37	-
Total	859.99	982.20
Security Deposit Given		
JSW Steel Limited	10,126.00	14,823.00
Total	10,126.00	14,823.00
Security Deposit Received for Assets, Material and services		
JSW Energy Limited	5,350.00	5,350.00
Total	5,350.00	5,350.00
Capital Advances Given		
JSW Steel Limited	-	2.20
Nisarga Spaces Pvt Limited	318.20	318.20
Total	318.20	320.40

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

(d) Compensation of key managerial personnel of the Group

Particulars	As at 31st March, 2017	As at 31st March, 2016
Short-term employee benefits	133.78	80.29
Total compensation paid to key managerial personnel	133.78	80.29

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

NOTE 35:- PRE-OPERATIVE EXPENSES DURING THE YEAR

Particulars	For the year ended 31st March, 2017	(₹ in Lakhs) For the year ended 31st March, 2016
Rates & Taxes	69.50	44.46
Insurance charges	350.28	39.81
Employee benefits expenses	1,037.99	391.33
Legal and professional charges	201.25	165.08
Interest on long-term borrowings	2,828.95	3,461.80
Bank Charges and Commissions	0.34	309.59
Interest Income	(1.67)	(1.42)
Profit on sale of Mutual Funds	(4.65)	(9.33)
General office expenses and overheads	63.01	2.95
Survey & feasibility study	44.97	29.73
Design & consultancy	40.00	-
Business development	26.86	0.72
Bank guarantee	14.32	3.67
Advertisement expenses	-	5.42
Travelling expenses	5.75	-
Concessional Licence fees	90.00	-
Rent and Office Expenses	92.69	4.50
Due Diligence Charges	12.00	-
Geo Technical Study charges	43.27	-
	4,914.86	4,448.31

NOTE 36:-IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	% of total consumptions	Value	% of total consumptions	Value
Spare parts				
Imported	1.34	41.45	2.35	215.69
Indigenous	98.66	3,059.91	97.65	8,965.04
	100.00	3,101.36	100.00	9,180.73

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NOTE 37:-VALUE OF IMPORTS CALCULATED ON CIF BASIS

Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Raw Material		
Components and spare parts	571.67	54.99
Capital goods	38,644.19	2,562.32
	39,215.86	2,617.31

NOTE 38: EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue spares	571.67	54.99
Capital goods	24,281.81	2,562.32
Travelling Expenses	67.83	15.76
Interest on Buyers Credit	109.17	1.63
	25,030.48	2,634.70

NOTE 39: EARNINGS IN FOREIGN CURRENCY

Particulars	(₹ in Lakhs)	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Berth hire income (Gross)	19,569.33	15,200.67
Pilotage (Gross)	2,224.76	1,287.33
Port Dues (Gross)	1,542.27	764.95
	23,336.36	17,252.95

NOTE 40:- CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per section 135 of the Companies Act 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education and culture, healthcare, Ensuring Environmental sustainability, rural development. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated and utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Details of amount required to be spent and amount spent during the year by the Group:

Particulars	(₹ in Lakhs)			
	JSW Infrastructure Limited	JSW Jaigarh Port Limited	South West Port Limited	Total
(a) Gross amount required to be spent	119.00	169.00	134.00	422.00
(b) Amount spent during the year				
Improving Living Condition	8.31	45.14	8.00	61.46
Promoting Social Development	60.71	23.44	73.40	157.56
Administration and Contingency	2.52	7.79	6.00	16.31
Addressing Social inequalities	25.86	0.24	-	26.10
Addressing environment issues	-	47.67	34.40	82.07
Promoting Sports training	6.99	1.41	-	8.40
Promoting Rural Development	16.53	41.20	-	57.73
Swacha Bharat Abhiyan - Waste Management	-	2.11	12.20	14.31
Total	120.92	169.00	134.00	423.94

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NOTE 41:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS

(a) Defined contribution plans: Amount of ₹ 208.99 Lakhs (Previous year ₹ 177.01 Lakhs) is recognised as an expense and included in Employee benefits expense as under:

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
JSW Infrastructure Limited	60.56	54.18
JSW Jaigarh Port Limited	50.02	44.16
South West Port Limited	71.54	59.72
Dharamtar Port Private Limited	18.82	18.95
JSW Paradip Terminal Private Limited	8.05	-
	208.99	177.01

(b) Defined benefit plans:

Gratuity:

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

Particulars	(₹ in Lakhs)	
	Gratuity	
	For the year ended 31st March, 2017 (Funded)	For the year ended 31st March, 2016 (Funded)
Change in present value of defined benefit obligation during the year		
Present Value of defined benefit obligation at the beginning of the year	240.36	182.32
Interest cost	19.32	14.61
Current service cost	47.39	37.63
Benefits paid	(1.11)	-
Actuarial changes arising from changes in financial assumptions	20.54	(0.92)
Actuarial changes arising from changes in experience adjustments	(16.93)	(6.42)
Present Value of defined benefit obligation at the end of the year	309.57	227.22
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	180.91	144.58
Interest Income	14.56	11.59
Contributions paid by the employer	17.81	1.32
Benefits paid from the fund	(1.11)	-
Return on plan assets excluding interest income	(6.99)	23.44
Fair value of plan assets at the end of the year	205.18	180.91
Net asset / (liability) recognised in the balance sheet		
Present Value of defined benefit obligation at the end of the year	(309.57)	3.68
Fair value of plan assets at the end of the year	205.18	26.24
Amount recognised in the balance sheet	(104.39)	29.92
Net (liability) / asset- current	(15.54)	(7.81)
Net (liability) / asset- non-current	(36.36)	(0.38)
Expenses recognised in the statement of profit and loss for the year		
Current service cost	41.21	33.49
Interest cost on benefit obligation (net)	5.47	4.31
Total expenses included in employee benefits expense	53.25	37.51

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(₹ in Lakhs)

Particulars	Gratuity	
	For the year ended 31st March, 2017 (Funded)	For the year ended 31st March, 2016 (Funded)
Recognised in other comprehensive income for the year		
Actuarial changes arising from changes in demographic assumptions	1.67	(4.16)
Actuarial changes arising from changes in financial assumptions	3.59	(0.11)
Actuarial changes arising from changes in experience adjustments	(1.67)	(3.08)
Return on plan assets excluding interest income	6.99	(21.37)
Recognised in other comprehensive income	10.58	(28.71)
Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	16.42	13.21
Between 2 and 5 years	48.01	47.59
Between 6 and 10 years	190.52	257.19
Quantitative sensitivity analysis for significant assumption is as below:		
Increase / (decrease) on present value of defined benefits obligation at the end of the year:		
One percentage point increase in discount rate	(25.97)	(19.43)
One percentage point decrease in discount rate	29.98	22.41
One percentage point increase in rate of salary Increase	30.06	16.15
One percentage point decrease in rate of salary Increase	(26.49)	(16.65)
One percentage point increase in employee turnover rate	1.37	1.76
One percentage point decrease in employee turnover rate	(1.68)	(2.42)
Sensitivity Analysis Method:		
Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.		
Actuarial assumptions		
Discount rate	7.20% to 7.34%	8.04% to 8.08%
Salary escalation	6.00%	6.00%
Mortality rate during employment	2006-08	2006-08
Mortality post retirement rate	N.A.	N.A.
Rate of Employee Turnover	2.00%	2.00%
Other details		
No of Active Members	294	284

Provident Fund:

The Group makes contribution towards provident fund which is administered by the trustees. The Rules of the Group's Provident Fund administered by a trust, require that if the Board of the Trustees are unable to pay interest at the rate declared by the Government under Para 60 of the Employees Provident Fund Scheme, 1972 for the reason that the return on investment is less for any other reason, then the deficiency shall be made good by the Group making interest shortfall a defined benefit plan. Accordingly, the Group has obtained actuary valuation and based on the below provided assumption there is no deficiency as at the balance sheet date. Hence, the liability is restricted towards monthly contributions only.

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NOTE 42:- EMPLOYEE STOCK OPTION PLAN (ESOP)

The Company provides share-based payment schemes to its employees.

On November 15, 2011, the board of directors approved the Equity Settled ESOP Plan 2011 for issue of stock options to the employee & whole time directors of the Company and its subsidiaries. According to the plan 2011, the employee selected by the ESOP committee from time to time will be entitled to option based upon the CTC/fixed pay, subject to satisfaction of the prescribed vesting conditions viz., continuing employment of 1 year. The other relevant terms of the grant are as follows:

Particulars	Mega Grant	First Subsequent Grant	Second Subsequent Grant	Third Subsequent Grant	ESOP Plan 2016
	1st December, 2011	1st December, 2011	1st October, 2012	1st October, 2013	13th June, 2016
Vesting period (years)	1 year	3 years	3 years	3 years	1 year
Exercise period (years)	5	3	2	1	1
Exercise life (years)	1.1 to 2.1	4.5	4	3.5	5
Weighted average Exercise price on the date of grant	10	85.66	99.68	123.75	897
Weighted average fair value as on grant date	285.64	241.39	254.3	294.25	517

Particulars	Mega Grant	First Subsequent Grant	Second Subsequent Grant	Third Subsequent Grant	ESOP Plan 2016
	1st December, 2011	1st December, 2011	1st October, 2012	1st October, 2013	13th June, 2016
Options Granted	435,831.00	76,665.00	88,467.00	90,745.00	168,495.00
Option Vested	435,831.00	76,665.00	88,467.00	90,745.00	144,128.00
Options Exercised	190,388.00	26,871.00	33,659.00	-	-
Options lapsed	84,792.00	21,887.00	19,658.00	11,913.00	24,367.00
Total number of options outstanding	160,651.00	27,907.00	35,150.00	78,832.00	119,761.00

Each option entitles the holder to exercise the right to apply and seek allotment of one equity share of ₹ 10 each
The following table exhibits the net compensation expenses arising from share based payment transaction:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Expense arising from equity settled share based payment transactions	1,720.22	92.68

For options granted on 1st December 2011, 1st October 2012 and 1st October 2013 under ESOP 2011 Scheme, the weighted average fair values have been determined using the Black Scholes Option Pricing Model considering the following parameters:

Particulars	For options granted in				
Grant Date	1st December 2011 (Mega)	1st December 2011 (1st)	1st October 2012 (2nd)	1st October 2013 (3rd)	13th June 2016
Weighted average share price on the date of grant	₹ 294.48	₹ 296.47	₹ 323.42	₹ 379.86	₹ 997
Weighted average Exercise price on the date of grant	₹ 10	₹ 85.66	₹ 99.68	₹ 123.75	₹ 897
Expected volatility (%)	49.94%	49.94%	45.99%	45.99%	38.33%
Expected life of the option (years)	1 year	3 years	3 years	3 years	1 year
Expected dividends (%)	0%	0%	0%	0%	0%
Risk-free interest rate (%)	8.86%	8.86%	8.17%	8.76%	7.43%
Weighted average fair value as on grant date	₹ 285.64	₹ 241.39	₹ 254.3	₹ 294.25	₹ 517.00

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The activity in the 2011 Plan for equity-settled share based payment transactions during the year ended March 31, 2017 is set out below:

Mega grant		(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016
Oustanding at the beginning of the year	183,940.00	374,537.00
Granted during the year	-	-
Forfeited during the year	23,289.00	1,714.00
Exercised during the year	-	188,883.00
Oustanding at the end of the year	160,651.00	183,940.00
First Subsequent Grant		(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016
Oustanding at the beginning of the year	33,874.00	62,101.00
Granted during the year	-	-
Forfeited during the year	5,967.00	1,640.00
Exercised during the year	-	26,587.00
Oustanding at the end of the year	27,907.00	33,874.00
Second Subsequent Grant		(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016
Oustanding at the beginning of the year	36,121.00	71,537.00
Granted during the year	-	-
Forfeited during the year	971.00	2,052.00
Exercised during the year	-	33,364.00
Oustanding at the end of the year	35,150.00	36,121.00
Third Subsequent Grant		(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016
Oustanding at the beginning of the year	82,629.00	85,877.00
Granted during the year	-	-
Forfeited during the year	3,797.00	3,248.00
Exercised during the year	-	-
Oustanding at the end of the year	78,832.00	82,629.00
ESOP Plan 2016		(₹ in Lakhs)
Particulars	As at 31st March, 2017	As at 31st March, 2016
Oustanding at the beginning of the year	-	-
Granted during the year	168,495.00	-
Forfeited during the year	24,367.00	-
Exercised during the year	-	-
Oustanding at the end of the year	144,128.00	-

Notes to Consolidated Financial Statements

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NOTE 43:- FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

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

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

Fair value of cash, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

Particulars	Level	(₹ in Lakhs)		
		As at 31st March, 2017	Carrying amount As at 31st March, 2016	As at 1st April, 2015
Financial assets at amortised cost:				
Loans (Current)	3	2,472.43	3,320.35	4,518.35
Trade receivables	3	19,850.41	16,905.30	7,428.60
Other financial assets (non current)	3	6,111.51	9,377.16	12,196.29
Other financial assets (current)	3	974.05	793.59	1,491.25
Cash and cash equivalents	3	3,599.91	8,478.75	1,590.97
Bank balances other than cash and cash equivalents	3	3,552.43	2,676.80	2,221.94
Total		36,560.73	41,551.95	29,447.40
Financial assets at fair value through profit or loss:				
Investments	1	9,464.30	6,457.31	2,361.38
Total		9,464.30	6,457.31	2,361.38
Financial liabilities at amortised cost:				
Borrowings (non current)	3	86,634.97	81,372.39	76,534.81
Borrowings (current)	3	72,026.37	29,562.36	16,850.57
Trade payables	3	9,755.50	2,817.30	4,942.56
Other financial liabilities (nonn current)	3	6,315.94	2,604.78	2,230.76
Other financial liabilities (current)	3	6,740.03	5,181.69	5,569.71
Total		181,472.81	121,538.52	106,128.41

Fair value hierarchy

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

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

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

The Group has mutual fund investment as on 01.04.2015, which are fair valued at the end of reporting period using Level 1 fair value heirarchy.

NOTE 44:- FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Interest rate risk

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

Exposure to interest rate risk		(₹ in Lakhs)	
Particulars		As at 31st March, 2017	As at 31st March, 2016
Floating rate borrowings		136,822.77	80,853.87
Fixed rate borrowings		21,838.57	30,080.88

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A change of 25 basis points in interest rates would have following impact on profit before tax.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
25 bp increase - Decrease in profit	389.34	347.37
25 bp decrease - Increase in profit	389.34	347.37

Foreign currency risk:

The Group operates only in domestic market, however Group has taken Buyers Credit in foreign currency. The Group is exposed to exchange rate fluctuation to the extent of outstanding buyers credit.

Foreign Currency in Lakhs

Foreign currency exposure	As at 31st March, 2017	As at 31st March, 2016
USD	450.84	10.41
EURO	12.77	1.70
JPY	19,155.00	-
GBP	-	12.77
	19,618.61	24.88

Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on profit before tax.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD	(292.30)	292.30	(3.64)	3.64
Euro	(8.84)	8.84	(1.27)	1.27
GBP	-	-	(12.14)	12.14
JPY	(111.02)	111.02	-	-
Increase/ (decrease) in profit or loss	(412.16)	412.16	(17.05)	17.05

Credit risk:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 19,850 Lakhs and ₹ 16,905 Lakhs as of March 31, 2017 and March 31, 2016, respectively. The Group has its major revenue from group companies, revenue from third party majourly consist of Berth Hire charges for which credit risk is not perceived as credit is not allowed to third party customers.

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

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2017	Percentage of Revenue	For the year ended 31st March, 2016	Percentage of Revenue
Revenue from group companies	69,654.96	78.46%	55,946.06	77.69%
Revenue from third parties	19,123.40	21.54%	16,065.96	22.31%
Total	88,778.36	100.00%	72,012.02	100.00%

Credit Risk Exposure

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2017 and March 31, 2016 was ₹ 70.87 Lakhs and ₹ 38.58 Lakhs respectively.

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

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Liquidity risk:

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Long-term borrowings generally mature between one and 10 years. Liquidity is reviewed on a daily basis based on weekly cash flow forecast.

As of March 31, 2017, the Group had a working capital of ₹ (3,2741.92) Lakhs. As of March 31, 2016, the Group had a working capital of ₹ 14,193.13 Lakhs. The Group is confident of managing its financial obligation through short term borrowing and liquidity management.

Maturity profile of financial liabilities:

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2017:

(₹ in Lakhs)				
As at 31st March, 2017	Less than one year	1 to 5 years	> 5 years	Total
	-	20,954.07	65,680.90	86,634.97
Borrowings (current)	72,026.37	-	-	72,026.37
Trade payables	9,755.50	-	-	9,755.50
Other financial liabilities (non-current)	-	4,621.01	1,694.93	6,315.94
Other financial liabilities (current)	6,740.03	-	-	6,740.03
	88,521.90	25,575.08	67,375.83	181,472.81

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2016:

(₹ in Lakhs)				
As at 31st March, 2016	Less than one year	1 to 5 years	> 5 years	Total
Borrowings (non current)	-	12,780.00	68,592.39	81,372.39
Borrowings (current)	29,562.36	-	-	29,562.36
Trade payables	2,817.30	-	-	2,817.30
Other financial liabilities (non-current)	-	1,051.35	1,553.43	2,604.78
Other financial liabilities (current)	5,181.69	-	-	5,181.69
	37,561.35	13,831.35	70,145.82	121,538.52

NOTE 45:- PURSUANT TO Ind AS-17 - LEASES, THE FOLLOWING INFORMATION IS DISCLOSED:

Assets taken on operating lease

- The Group has taken assets of Port Premises on operating lease. The lease rentals are payable by the Company on a annually basis.
- Future minimum rentals payable under non-cancellable operating leases are as follows:

(₹ in Lakhs)			
Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Not Later than 1 year	617.18	596.88	571.53
Later than 1 year and not later than 5 years	2,644.27	2,579.84	2,529.06
Later than 5 years	6,818.54	7,498.59	8,146.25
	10,079.99	10,675.31	11,246.84

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NOTE 46:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 33 EARNINGS PER SHARE

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Earnings per share has been computed as under		
Profit for the year (₹ In Lakhs)	29,361.84	22,162.40
Face value of equity share (₹/share)	10.00	10.00
Weighted average number of equity shares outstanding	56,847,632.00	56,847,632.00
Effect of Dilutive common equivalent shares - share option outstanding	152,055.47	269,194.70
Weighted average number of equity shares outstanding	56,999,687.47	57,116,826.70
Earnings per equity share		
Basic (₹/share)	51.65	38.99
Diluted (₹/share)	51.51	38.80

NOTE 47:- DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Group had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other denomination	Total
Cash in hand as on November 8, 2016	394,000.00	251,443.00	645,443.00
(+) Permitted receipts	-	1,188,225.00	1,188,225.00
(-) Permitted payments	-	(536,597.00)	(536,597.00)
(-) Amount deposited in Banks	(394,000.00)	(312,754.00)	(706,754.00)
Cash in hand as on December 30, 2016	-	590,317.00	590,317.00

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

NOTE 48: SEGMENT REPORTING

The Group is primarily engaged in the segment of "Port Services" and single reportable segments as per Ind AS 108 Operating Segment.

NOTE 49 : South West Private Limited, subsidiary of the Group was charged a levy (CHLD Charges) by The Mormugao Port Trust, since November, 2007 for not using the labour of Cargo Handling Labour Department (CHLD) for loading and unloading at the time of use of Ship's Gear at the Berth/s 5A and 6A. The Company had contested this levy with a sole Arbitrator. The sole Arbitrator vide his order dated 8th November, 2014 has given the award in favour of the Company and asked the Mormugao Port Trust to refund the entire CHLD collected till date of the order along with interest of 9% per annum. However, the Mormugao Port Trust has preferred an appeal against the order of the Arbitrator with the District Court, Goa under section 34 of the Arbitration and Conciliation Act 1996. The Mormugao Port Trust had deposited ₹ 6,08,18,067/- being the amount contested with the Hon'ble District Court. The Company vide its application dated 24.09.2015 to the Hon'ble District Court for withdrawal of 50 % of the amount deposited by the Port Trust. The Hon'ble District Court had issued an Order dated 31.10.2015 accepting the request of the company, based on an undertaking and Bank Guarantee given by company to return the same along with Interest @ 9%, in case, final decision goes in favor of the Mormugao Port Trust. The Company has received an amount of ₹ 3 crores from the Hon'ble District Court based on the conditions specified, during the year.

NOTE 50 : In the opinion of the management the current assets, loans and advances (including capital advances) have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

NOTE 51 : The Group is yet to receive balance confirmation in respect of certain sundry creditors, advances and debtors. The management does not expect any material difference affecting the current years financial statements due to the same.

NOTE 52 : The consolidated financial statements are approved for issue by the Audit Committee at its meeting held on 16th May, 2017 and by the Board of Directors on 16th May, 2017.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

Note 53: First-time adoption of Ind AS

These are the Group's first Consolidated Financial Statements prepared in accordance with Ind AS. The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended March 31, 2017.

The comparative information presented in these Consolidated Financial Statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (date of transition of the Group). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in Financial Statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act, (hereinafter referred to as 'IGAAP'). An explanation of how the transition from IGAAP to Ind AS has affected the financial position, financial performance and cash flows of the Group is set out in the following tables and notes.

The Group has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2016, with a transition date of April 01, 2015. For all periods upto and including the year ended March 31, 2016, the Group prepared its Financial Statements in accordance with the previously applicable Indian GAAP (hereinafter referred to as 'IGAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time adoption of Indian Accounting Standards (Ind AS 101). Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS Financial Statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Group has prepared Financial Statements which comply with Ind AS for year ended March 31, 2017, together with the comparative information as at and for the year ended March 31, 2016.

The Group has prepared opening Ind AS balance sheet as at April 01, 2015, the date of transition to Ind AS. In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in Financial Statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected the financial position, financial performance and cash flows of the Group is set out in the following tables and notes:

Exemptions and exceptions Availed

In preparing these Ind AS Financial Statements, the Group has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the Financial Statements as at the transition date under Ind AS and IGAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Group in restating its IGAAP Financial Statements, including the Balance Sheet as at April 01, 2015 and the Financial Statements as at and for the year ended March 31, 2016.

Ind AS optional exemptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous IGAAP to Ind AS.

Business combinations

Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries or of interests in associates and joint ventures that occurred before April 01, 2015. The carrying amounts of assets and liabilities in accordance with IGAAP is considered as their deemed cost at the date of acquisition. After the date of the acquisition, measurement is in accordance with Ind AS. The carrying amount of goodwill in the opening Ind AS balance sheet is its carrying amount in accordance with the IGAAP.

Deemed cost

Ind AS 101 permits a first-time adopter to elect to fair value all of its property, plant and equipment as recognised in the Financial Statements as at the date of transition as its deemed cost. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible assets. Accordingly, the Group has elected to measure all of its property, plant and equipment, intangible assets at their fair value on date of transition as deemed cost (Option to FV is not for investment property).

Investments in subsidiary companies, associate Group and joint venture Group

Ind AS 101 permits a first time adopter to measure its investment in subsidiary companies, associate companies and joint venture companies at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall either be its fair value at date of transition to Ind AS of the Group, or IGAAP carrying amount at that date. The Group has elected to measure its investment in subsidiary companies, associate Group and joint venture Group at IGAAP carrying amount as its deemed cost on the transition date.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

Long-term foreign currency monetary items

Ind AS 101 provides an exemption to continue the accounting policy option of recognising the exchange difference on translation of such long-term foreign currency items as per IGAAP, para 46A of AS 11 'The Effects of Changes in Foreign Exchange Rates', provided an alternative accounting treatment to companies with respect to exchange differences arising on restatement of long term foreign currency monetary items. Exchange differences on account of depreciable assets could be added/deducted from the cost of the depreciable asset, which would then be depreciated over the balance life of the asset, can be continued under Ind AS for items outstanding as on March 31, 2016. The Group has opted to apply this exemption.

Ind AS mandatory exceptions

The Group has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101.

i) Estimates

Estimates in accordance with Ind AS at the transition date shall be consistent with estimates made for the same date in accordance with IGAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with IGAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under IGAAP:

- Impairment of financial assets based on expected credit loss model.

ii) Non-controlling interests

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition.

Consequently, the group has applied the above requirement prospectively.

iii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind

AS 109 Financial Instruments (Ind AS 109) prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of transition to Ind AS, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities de-recognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iv) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

v) Impairment of financial assets

Ind AS 101 requires guidance's for impairment as per Ind AS 109 to be applied post-transition date.

vi) Share-based Payment

The Group has availed the exemption of not applying Ind AS 102 – Share-based Payment (Ind AS 102) to equity instruments that vested before date of transition to Ind AS.

1. Transition to Ind AS - Reconciliations

For all periods up to and including the year ended 31st March, 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies(Accounts) Rules, 2014 ('Previous GAAP'). This note explains the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP for the following:

- I. Reconciliation of Balance sheet as at April 1, 2015 (Transition Date) and as at March 31, 2016
- II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016
- III. Reconciliation of Total Comprehensive Income for the year ended March 31, 2016
- IV. Reconciliation of Equity as at April 1, 2015 and as at March 31, 2016

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

2.2.1 Reconciliation of equity as previously reported under IGAAP to Ind-AS:

Particulars	Note no.	As at 31st March, 2016			As at 31st March, 2015		
		IGAAP	Ind-AS adjustments	Ind-AS	IGAAP	Ind-AS adjustments	Ind-AS
ASSETS							
Non-current assets :							
Property, plant and equipment	B	105,221.91	31,574.48	136,796.39	73,492.79	32,279.16	105,771.95
Capital work-in-progress	L	37,513.50	(796.27)	36,717.23	42,629.89	-	42,629.89
Goodwill	M	22,551.36	(84.30)	22,467.06	30,068.48	-	30,068.48
Other intangible assets	B	19,527.54	6,791.60	26,319.14	21,432.19	6,733.77	28,165.96
Intangible assets under development		724.17	-	724.17	252.04	-	252.04
Financial assets							
Other financial assets	I	15,245.16	(5,868.00)	9,377.16	18,930.95	(6,734.66)	12,196.29
Other non-current assets		15,725.58	-	15,725.58	4,530.15	-	4,530.15
Total non-current assets		216,509.22	31,617.51	248,126.73	191,336.49	32,278.27	223,614.76
Current assets :							
Inventories		4,916.27	-	4,916.27	1,847.61	-	1,847.61
Financial Assets							
Investments	C	6,451.39	5.92	6,457.31	2,361.38	-	2,361.38
Trade receivables		16,905.30	-	16,905.30	7,428.60	-	7,428.60
Cash and cash equivalents		8,478.75	-	8,478.75	1,590.97	-	1,590.97
Bank balances other than above		2,676.80	-	2,676.80	2,221.94	-	2,221.94
Loans		3,320.35	-	3,320.35	4,518.35	-	4,518.35
Other financial assets		793.59	-	793.59	1,491.25	-	1,491.25
Current tax assets (net)		1,481.99	-	1,481.99	1,013.26	-	1,013.26
Other current assets		16,704.94	-	16,704.94	17,615.75	-	17,615.75
Total current assets		61,729.38	5.92	61,735.30	40,089.11	-	40,089.11
Total assets		278,238.60	31,623.43	309,862.03	231,425.60	32,278.27	263,703.87
EQUITY AND LIABILITIES							
Equity :							
Equity share capital		5,684.76	-	5,684.76	5,684.76	-	5,684.76
Other equity	H	124,415.33	24,113.66	148,528.99	101,051.34	25,870.89	126,922.23
Equity attributable to Owners of the Company		130,100.09	24,113.66	154,213.75	106,736.10	25,870.89	132,606.99
Non-Controlling Interests		12,938.00	1,035.65	13,973.65	10,128.00	1,135.81	11,263.81
Total equity		143,038.09	25,149.31	168,187.40	116,864.10	27,006.70	143,870.80
Liabilities :							
Non-current liabilities :							
Financial Liabilities							
Borrowings	L	82,587.62	(1,215.23)	81,372.39	77,331.10	(796.29)	76,534.81
Other financial liabilities	I	4,120.93	(1,516.15)	2,604.78	3,811.54	(1,580.78)	2,230.76
Provisions		225.92	-	225.92	168.22	-	168.22
Deferred tax liabilities (net)	G	14.10	9,205.50	9,219.60	(1.89)	7,648.63	7,646.74
Total non-current liabilities		86,948.57	6,474.12	93,422.69	81,308.97	5,271.56	86,580.53
Current liabilities :							
Financial Liabilities							
Borrowings		29,562.36	-	29,562.36	16,850.57	-	16,850.57
Trade payables		2,817.30	-	2,817.30	4,942.56	-	4,942.56
Other financial liabilities		5,181.69	-	5,181.69	5,569.71	-	5,569.71
Other current liabilities		10,104.38	-	10,104.38	5,121.32	-	5,121.32
Provisions		516.53	-	516.53	181.37	-	181.37
Current tax liabilities (net)		69.68	-	69.68	587.01	-	587.01
Total current liabilities		48,251.94	-	48,251.94	33,252.53	-	33,252.54
Total equity and liabilities		278,238.60	31,623.43	309,862.03	231,425.61	32,278.26	263,703.87

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

2.2.2 Reconciliation statement of Profit and Loss as previously reported under IGAAP to Ind-AS:

Particulars	Note no.	For the year ended 31st March, 2016		
		IGAAP	Ind-AS adjustments	Ind-AS
INCOME				
Revenue from Operations		72,012.02	-	72,012.02
Other Income	C, I	2,279.11	872.58	3,151.69
Total income		74,291.13	872.58	75,163.71
EXPENSES				
Operating expenses		16,678.74	-	16,678.74
Employee benefit expense	E	4,415.88	28.71	4,444.60
Finance costs	I, L	8,280.48	377.33	8,657.81
Depreciation and amortisation expense	M, B	14,164.69	(6,737.05)	7,427.64
Impairment of goodwill	M	-	7,601.42	7,601.42
Other expenses	B	2,979.74	(75.40)	2,904.35
Total expenses		46,519.55	1,195.01	47,714.56
Profit before tax		27,771.59	(322.43)	27,449.16
Tax expense:				
Current tax		2,488.44	-	2,488.44
Deferred tax	G	16.08	1,553.57	1,569.65
Profit for the year		25,267.07	(1,876.00)	23,391.06
Other comprehensive income				
Items that will not be reclassified to profit or loss	D	-	28.71	28.71
Income tax relating to items that will not be reclassified to profit or loss	G	-	(9.95)	(9.95)
Other comprehensive income/(loss) for the year		-	18.76	18.76
Total comprehensive income for the year		25,267.07	(1,857.24)	23,409.83

2.2.3 Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016

Nature of Adjustments	Foot Note	For the year ended 31st March, 2016
Profit after tax as reported under previous Indian GAAP		25,267.07
Impact of valuation of security deposits using EIR	I	813.35
Remeasurement of employee benefit plan (Gratuity)	D	(28.71)
Amortisation of Loan processing Fee	L	(377.33)
Impact of fair valuation of Property, Plant & Equipment	B	(788.97)
Impact of Fair Valuation of Mutual Fund	C	59.23
Deferred Taxes	G	(1,553.57)
Net Profit after tax under IND AS (1)		23,391.06
Other Comprehensive Income (Net of tax) (2)	D, F, G	18.76
Total Comprehensive Income as reported under Ind AS (3=1+2)		23,409.82

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

2.2.4 Reconciliation of equity as at 31st March, 2016 and 1st April, 2015

Nature of Adjustments	Foot Note	As at 1st April, 2015	As at 31st March, 2016
Equity as per previous Indian GAAP (1)		116,864.10	143,038.09
Impact of fair valuation of Property, Plant & Equipment	B	39,012.92	38,223.80
Impact of amortization of security deposits	I	(5,153.88)	(4,340.53)
Amortisation of Loan processing Fee	L	796.29	418.96
Impact of Fair Valuation of Mutual Fund	C	-	59.23
Deferred Taxes	G	(7,648.63)	(9,212.15)
Total Effect of transition to Ind AS (2)		27,006.70	25,149.31
Equity as per Ind AS (1+2)		143,870.80	168,187.40

The following explains the material adjustments made while transition from previous IGAAP to IND AS:

A. To comply with the Companies (Accounting Standard) Rules, 2006, IGAAP financials have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013, which have not been disclosed under adjustment column.

B. Property, Plant & Equipment

Under the IGAAP, Property, plant and equipment and other intangible assets are recorded at carrying cost. Under IND AS, Property, plant and equipment and other intangible assets are recognized at fair value on the date of transition as deemed cost. Difference between fair value of Property, plant and equipment and other intangible assets as at the date of transition and the carrying value (transaction value) as per IGAAP has been recognized under retained earnings (net of tax).

C. Investment

Investments in mutual funds are carried at fair value through Profit and loss under Ind AS as compared to being carried at cost under IGAAP. The difference between the fair value and IGAAP carrying value on transition date has been recognize as an adjustment to opening retained earnings / separate component of other equity (net of tax).

D. Employee Benefits Expenses (Gratuity)

Both under Indian GAAP and Ind AS, the group recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit and loss. Under Ind AS, re-measurements are recognized

in other comprehensive income. Net of related income tax.

E. ESOP

Compensation expenses relating to shared based payment (ESOP) is recognised at fair value of options as per Ind AS 102 Share based Payment as compared to being carried at intrinsic value under IGAAP. As per Ind AS 102 ESOP compensation expenses on account of option granted to employees of subsidiaries has been reclassified from loans and advances – subsidiaries to investment in subsidiaries.

F. Other comprehensive income

Under Indian GAAP, the group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled profit or loss as per Indian GAAP to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

G. Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. 'Ind AS 12 Income Taxes' requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of 'Ind AS 12 Income Taxes' approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the group has to account for such differences. Deferred tax

Notes to Consolidated Financial Statements

for the year ended 31 March, 2017

adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

- H.** Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

I. Security Deposit

Under the IGAAP, interest free security deposits are recorded at their transaction value. As Ind AS 109, debt instruments are required to be measured at amortised cost. Accordingly, the Group has measured the security deposits as per Ind AS 109 at amortised cost. Difference between amortised cost of security deposits and the carrying value (transaction value) as per IGAAP at the transition date has been recognised as retained earnings.

J. Statement of cash flows

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2016 as compared with the IGAAP, except investment in mutual fund disclosed under cash and cash equivalent under IGAAP now disclosed under current investments.

- K.** Financial assets and financial liabilities have been regrouped wherever required to comply with Ind AS.

L. Loans and Borrowings

This is the category most relevant to the Group. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortization is included as finance cost in the statement of profit and loss.

This category generally applies to borrowings.

M. Goodwill

In the financial statements prepared under Previous GAAP, acquired Goodwill was amortized over its useful life not exceeding five years unless a longer period could be justified. Under Ind AS, Goodwill is not required to be amortized but needs to be tested for impairment at least annually.

As per our attached report of even date
For **Shah Gupta & Co.**
Chartered Accountants
Firm Registration No: 109574W

Vipul K Choksi
Partner
M.No. 37606
Date : 16th May, 2017
Place : Mumbai

For and on behalf of the Board of Directors

N K Jain
Chairman
DIN : 00019442

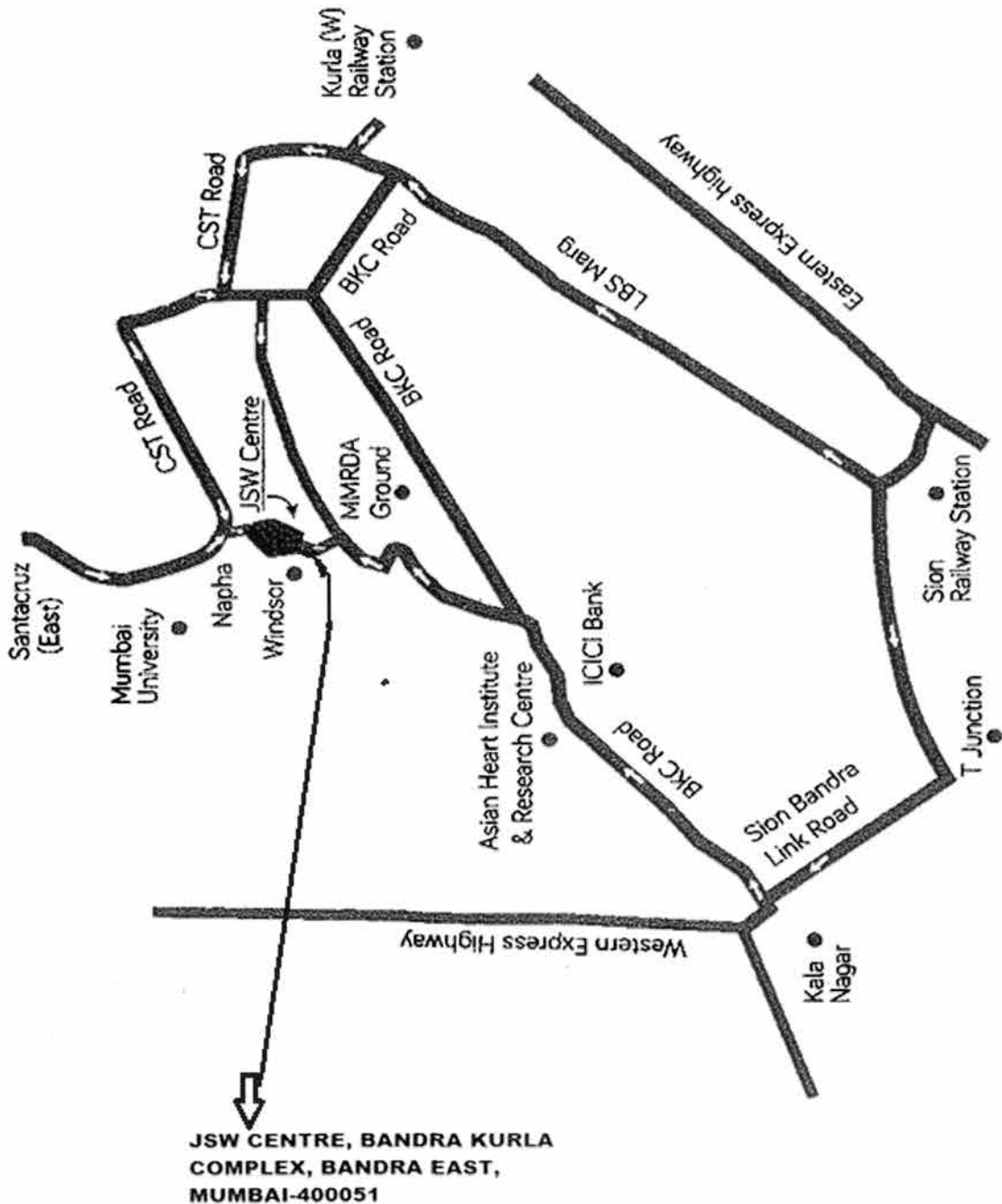
Lalit Singhvi
CFO-Sr VP Finance & Commercial

Capt. BVJK Sharma
JMD & CEO
DIN : 00017758

Gazal Qureshi
Company Secretary
M No. A16843

**ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING ON
TUESDAY 1st AUGUST, 2017 AT 11.30 AM**

MAP



Financial Highlights - Standalone

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Amt ₹ Million	Per I GAAP	Per I GAAP	Per I GAAP	Per I GAAP	Per Ind As	Per Ind As
Operating Income	477.26	1,187.59	1,486.74	2,176.98	2,924.55	2,259.16
Other Income	36.99	41.98	57.57	41.24	157.66	210.48
Total Income	514.25	1,229.57	1,544.31	2,218.22	3,082.21	2,469.64
EBIDTA	243.51	766.64	964.05	1,632.77	2,532.66	1,871.63
Depreciation and Goodwill Impairment	24.57	18.53	8.05	766.26	788.40	721.41
Interest	1.28	233.79	302.02	798.67	616.94	466.86
PBT	217.66	514.33	653.98	67.84	1,127.32	683.36
Tax	71.24	43.89	8.10	-	160.28	118.34
PAT	146.42	470.44	645.88	67.84	967.04	565.02
Other Comprehensive Income	-	-	-	-	0.46	-0.15
Total Comprehensive Income	-	-	-	-	967.50	564.87
EPS (in ₹)	2.43	7.70	10.56	1.15	17.01	9.94
Shares in issue (nos)	60,354,000	61,135,102	61,135,102	58,991,367	58,991,367	58,991,367
CAPITAL ACCOUNTS						
Gross Block	252.51	252.10	604.65	4,418.32	3,229.46	2,526.66
Net Block	152.01	133.08	477.63	3,522.67	3,201.19	2,481.75
Capital Work in Progress	-	11.65	10.78	-	-	-
Total Debt	-	2,194.60	1,814.50	5,574.50	4,448.32	3,191.84
Secured Loans	-	2,194.60	1,814.50	5,574.50	4,448.32	3,191.84
Unsecured Loans	-	-	-	-	-	-
Authroised Share capital	-	-	1,500.00	1,500.00	1,500.00	1,500.00
Equity Capital	603.54	611.35	611.35	568.48	568.48	568.48
Reserves & Surplus	3,955.52	4,528.97	5,200.90	5,278.87	6,079.79	6,835.33
Shareholders' Funds	4,559.06	5,140.32	5,812.25	5,847.35	6,648.27	7,403.81

Financial Highlights - Consolidated

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Amt ₹ Million	Per I GAAP	Per I GAAP	Per I GAAP	Per I GAAP	Per Ind As	Per Ind As
Throughput (MMT) - (Total Cargo)	11.37	18.48	21.81	25.06	29.55	38.26
Operating Income	3,103.50	3,103.50	4,948.34	5,535.07	7,201.20	8,877.84
Other Income	75.06	75.06	173.51	192.26	315.17	586.09
Total Income	3,178.56	3,178.56	5,121.85	5,727.33	7,516.37	9,463.93
Expenses	1,236.00	1,236.00	1,961.29	2,153.77	2,402.77	3,079.69
EBIDTA	1,942.56	1,942.56	3,160.56	3,573.56	5,113.60	6,384.24
Depreciation and Goodwill Impairment	553.92	553.92	647.84	1,178.50	1,502.91	1,526.47
Interest	268.75	268.75	469.23	856.60	865.78	902.14
PBT	1,119.89	1,119.89	2,043.48	1,538.45	2,744.91	3,955.63
Tax	154.01	154.01	219.48	61.29	405.81	851.72
PAT	965.88	965.88	1,824.00	1,477.16	2,339.10	3,103.91
Other Comprehensive Income	-	-	-	-	1.88	-0.70
Total Comprehensive Income	-	-	-	-	2,340.98	3,103.21
EPS (in ₹)	16.00	16.00	29.84	22.09	38.99	51.65
Shares in issue (nos)	60,354,000	60,354,000	61,135,102	56,847,632	56,847,632	56,847,632
CAPITAL ACCOUNTS						
Gross Block	8,899.37	8,899.37	11,026.82	16,361.08	19,290.20	28,854.30
Net Block	7,242.70	7,242.70	8,335.04	12,488.60	18,558.26	27,303.69
Capital Work in Progress	307.34	307.34	1,525.49	4,298.94	3,744.14	3,800.07
Total Debt	1,510.33	1,510.33	2,240.46	8,416.30	11,093.48	15,866.13
Secured Loans	1,367.83	1,367.83	2,240.46	8,416.30	11,093.48	15,866.13
Equity Capital	603.54	603.54	611.35	568.48	568.48	568.48
Reserves & Surplus	5,412.72	5,412.72	8,792.56	11,117.94	16,250.27	19,544.16
Shareholders' Funds	6,016.26	6,016.26	9,403.91	11,686.42	16,818.75	20,112.64



CIN: U45200MH200PLC16128

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