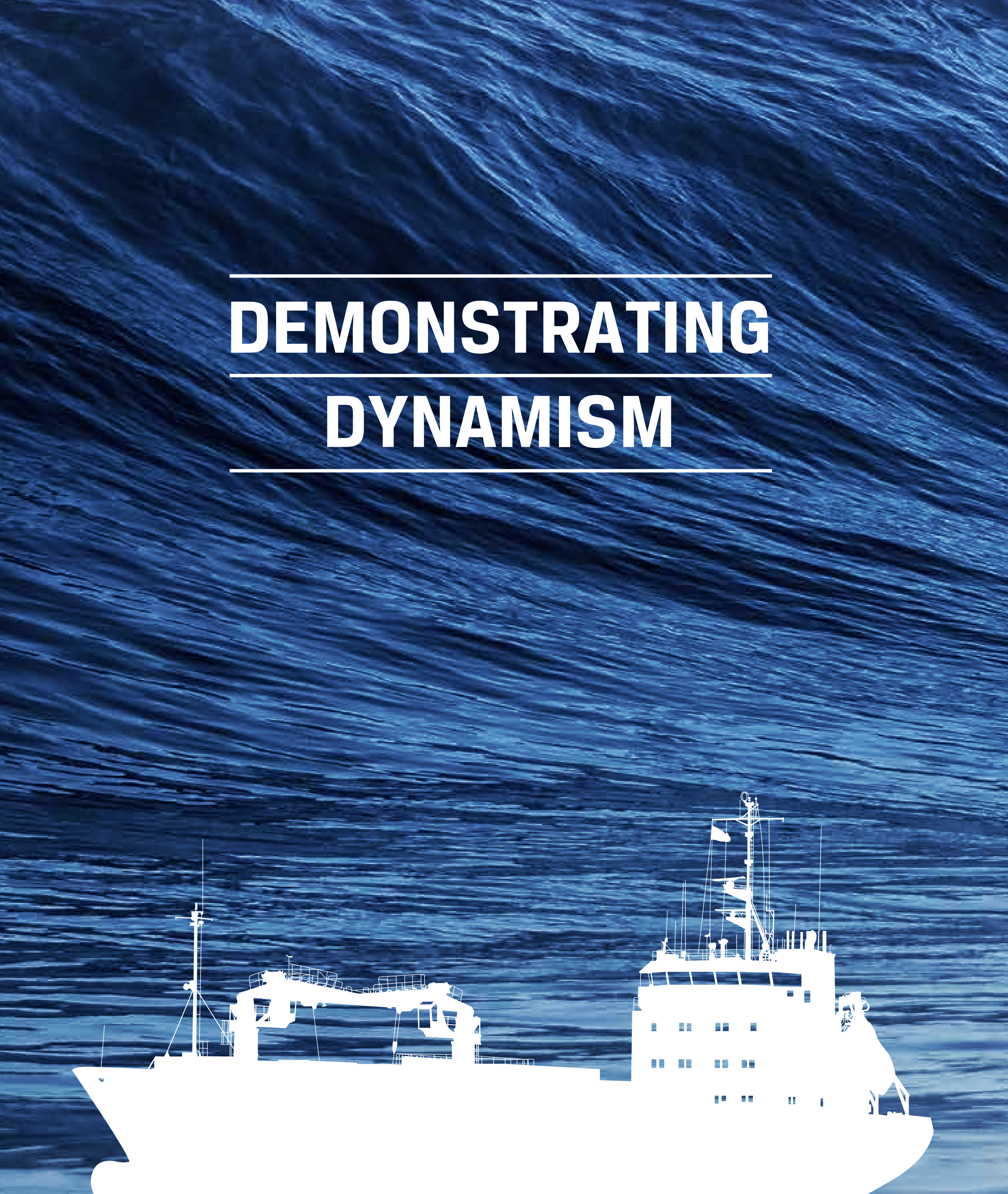
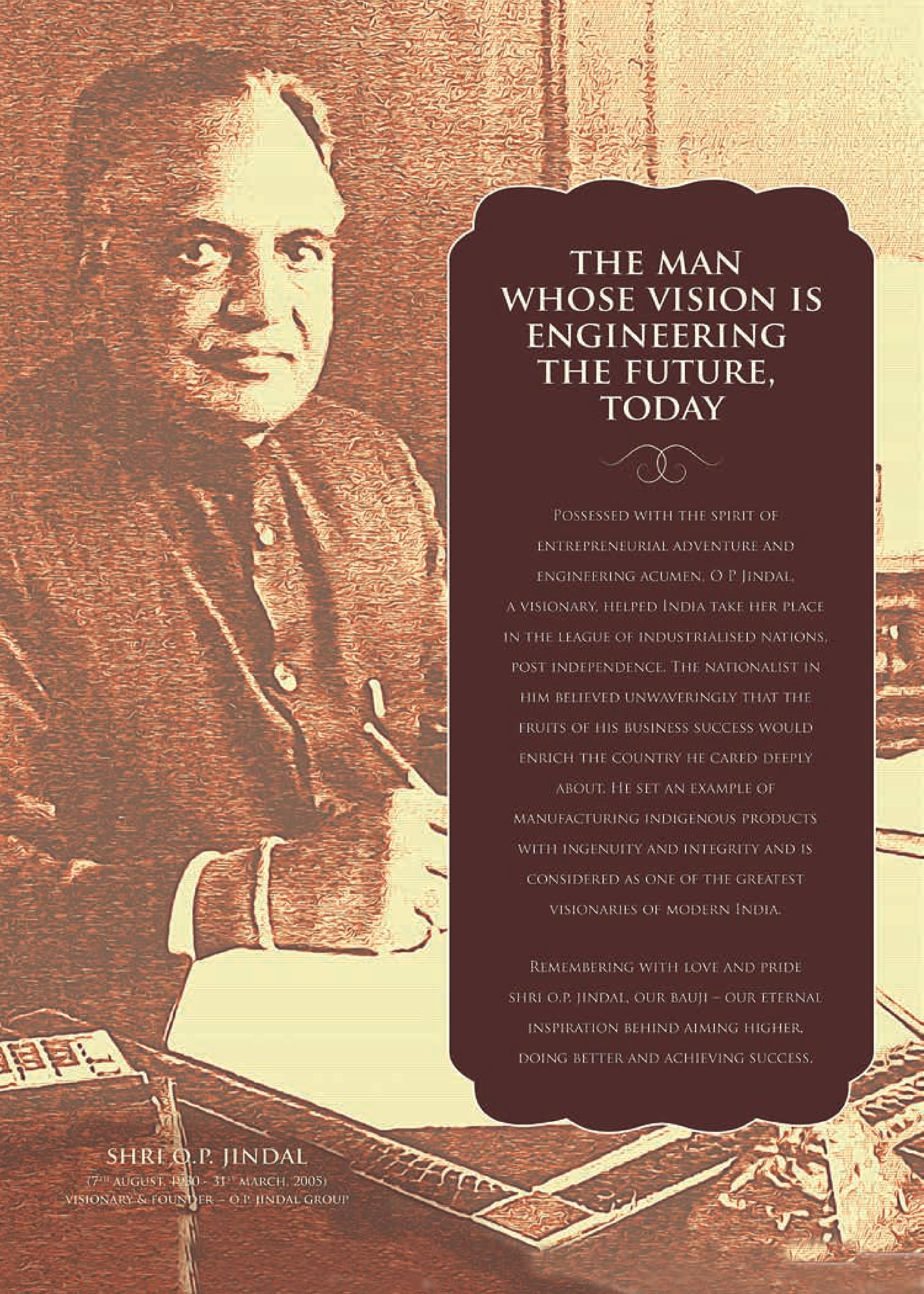


DEMONSTRATING DYNAMISM

JSW Jaigarh Port Limited

Annual Report 2017-18



THE MAN WHOSE VISION IS ENGINEERING THE FUTURE, TODAY

Possessed with the spirit of entrepreneurial adventure and engineering acumen, O P Jindal, a visionary, helped India take her place in the league of industrialised nations, post independence. The nationalist in him believed unwaveringly that the fruits of his business success would enrich the country he cared deeply about. He set an example of manufacturing indigenous products with ingenuity and integrity and is considered as one of the greatest visionaries of modern India.

Remembering with love and pride Shri O.P. Jindal, our Bauji – our eternal inspiration behind aiming higher, doing better and achieving success.

SHRI O.P. JINDAL

(7TH AUGUST, 1930 - 31ST MARCH, 2005)

VISIONARY & FOUNDER – O.P. JINDAL GROUP

Financial Highlights

CARGO THROUGHPUT (MILLION METRIC TONNE)

REVENUE (₹ MILLION)

EBITDA (₹ MILLION)

CASH PROFIT (₹ MILLION)

FY 2017-18 Highlights

Cargo throughput
10.24 MILLION METRIC TONNE

Gross turnover
₹6,199 MILLION

Net turnover
₹5,278 MILLION

EBITDA
₹3,342 MILLION

PBT
₹1,423 MILLION

PAT
₹998 MILLION

Cash Profit
₹2,017 MILLION

In this Report

Corporate Information

Board of Directors	**Capt. BVJK Sharma** Jt. Managing Director **Mr. N K JAIN** Director **Mr. K N Patel** Director **Mr. K C Jena (w.e.f May 4, 2018)** Director **Ms. Ameeta Chatterjee** Director
Chief Financial Officer	**Mr. Harish Gupta**
Company Secretary	**Mr. Miraj Shah**
Statutory Auditors	**M/s H P V S & Associates** Chartered Accountants
Bankers	Axis Bank Limited Punjab National Bank Yes Bank Limited South Indian Bank Exim Bank
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: U45205MH2007PLC166784
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 **WORKS** Kumbiwadi Village, Dhamankul Bay, Jaigarh, Ratnagiri District, Maharashtra Tel: 02357 - 242551 Fax: 02357 - 242556

Notice

Notice is hereby given that the **Twelfth Annual General Meeting** of the Shareholders of **JSW Jaigarh Port Limited** will be held on **July 31, 2018, Tuesday at 10.30 am** 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, 2018 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 ratify the appointment of M/s. HPVS & Associates, Statutory Auditors and to fix their remuneration and, if thought fit to pass the following resolution as Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 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, the appointment of M/s. HPVS & Associates, Chartered Accountants, Mumbai, Firm Registration No. 137533W, as Statutory Auditors of the Company to hold office from the conclusion of this 12th Annual General Meeting till the conclusion of the 16th Annual General Meeting of the Company on a remuneration as shall be fixed by the Board of Directors of the Company be and is hereby ratified".

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 2(54), 196, 197, 198, 203 read with Schedule V and rules made thereunder including all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), Capt. BVJK Sharma (DIN- 00017758) be and is hereby re-appointed as the Jt. Managing Director of the Company to hold office for a period of five (5) years without any remuneration with effect from November 21, 2017.
5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution:**

   "RESOLVED THAT Mr. Kalyan Coomar Jena (DIN: 02989575), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 4, 2018 under Section 161(1) of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 including any statutory modification or re-enactment(s) thereof for the time being in force, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

   RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification (s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr Kalyan Coomar Jena, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment as an Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 years from May 4, 2018 to May 3, 2023".

By order of the Board of Directors
For **JSW Jaigarh Port Limited**

Place : Mumbai
Date : May 4, 2018

Miraj Shah
Company Secretary

Registered Office:
JSW Centre, Bandra Kurla Complex,
Bandra (East) Mumbai - 400 051
CIN: U45205MH2007PLC166784

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 4

The members of the Company at its meeting held on July 25, 2013 had approved the appointment of Capt. BVJK Sharma as the Jt. Managing Director of the Company for a period of five years commencing from November 21, 2012 without any remuneration. The term of Capt. BVJK Sharma expired on November 20, 2017.

Based on the recommendation of Nomination & Remuneration Committee, the Board of Directors at its meeting held on November 8, 2017 re-appointed Capt. BVJK Sharma as the Jt. Managing Director of the Company for a period of five years commencing with effect from November 21, 2017, subject to the approval of members in General Meeting.

As required under Clause 1.2.5 of the Secretarial Standard-2, Capt. BVJK Sharma's brief resume and other requisite information is annexed to and forms a part of notice.

Capt BVJK Sharma has conveyed his consent to act as a Director of the Company and made the necessary disclosures and declarations. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board considers that the re-appointment of Capt BVJK Sharma as a Jt. Managing Director, given his vast experience and knowledge in diverse areas, will be in the best interest of the Company.

Except Capt BVJK Sharma, being an appointee, none of the Directors and KeyManagerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

Your Directors recommend the resolution set out at Item No. 4 of the Notice for your approval.

ITEM NO. 5

Considering the recommendation of Nomination & Remuneration Committee, the Board of Directors at its meeting held on May 4, 2018, appointed Mr. K C Jena's as an Additional Director of the Company to hold office up to the date of 12th Annual General Meeting pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 ("the Act").

As required under Clause 1.2.5 of the Secretarial Standard-2, Mr. K C Jena's brief resume and other requisite information is annexed to and forms a part of notice.

The Company has received a notice in writing from a Member under the provisions of Section 160 of the Act along with the requisite deposit proposing the candidature of Mr. Jena for the office of Director of the Company.

Mr. K C Jena being appointed as a Director in terms of Section 161 of the Act has given his consent to act as Independent Director. The Company has also received declaration from Mr. K C Jena that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

The Board considers that the proposed appointment of Mr. Kalyan Coomar Jena as a Director, given his vast experience and knowledge in diverse areas, will be in the best interest of the Company.

Except Mr. Kalyan Coomar Jena, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

Your Directors recommend the resolution set out at Item No. 5 of the Notice for your approval.

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business under item no. 4 & 5 set out above and the details under Clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of the person(s) seeking appointment/re-appointment as Director at the Annual General Meeting, is annexed hereto.
2. 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.
3. Shareholders / Proxies should bring their attendance slip duly filled in for attending the meeting.
4. Copies of Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested

to bring their copies to the meeting.

5. Corporate members are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
6. 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.
7. 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.
8. 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.
9. 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.
10. All documents referred to in the accompanying Notice 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 DGM- 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.

By order of the Board of Directors
For **JSW Jaigarh Port Limited**

Miraj Shah
Company Secretary

Place : Mumbai
Date : May 4, 2018

Registered Office:
JSW Centre, Bandra Kurla Complex,
Bandra (East) Mumbai - 400 051
CIN: U45205MH2007PLC166784

Annexure to Notice

Pursuant to Clause 1.2.5 of the Secretarial Standards-2, the details for the Directors proposed to be re-appointed/appointed at the ensuing Annual General Meeting are given below:

Name of Director	Mr. N K Jain	Mr. K C Jena*	Capt. BVJK Sharma
Category/Designation	Non-Executive Director	Independent Director	Jt. Managing Director
DIN	00019442	02989575	00017758
Age	72	69	55
Date of Birth	03-05-1946	04-01-1949	01-01-1963
Date of Original Appointment	06/01/2007	04/05/2010	21/04/2006
Expertise in specific functional areas	Mr. Jain has over 40 years of vide experience in the areas of mergers & acquisition, finance, legal and capital restructuring. He has a keen interest in management development and human resource training.	Mr. KalyanCoomar Jena has 40 years of experience in various fields related with Railway development. He has wide international exposure and is an expert on Rail & Port connectivity.	Capt. BVJK Sharma has attained a diverse experience in infrastructure sector covering development of greenfield ports, terminals, operation of ports & terminals, development of roads, inland waterways, shipping & maritime law, maritime under writing, etc. During the span of his career he has had exposure to various facets of shore based port operations, shipping, stevedoring, logistics, clearing and forwarding and other activities related to port development operations.
Qualification	Mr. Jain holds a Bachelor's degree in commerce. He is a fellow member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India.	Mr. KalyanCoomar Jena is an alumni of Madras Christian College and IIT, Kanpur.	Capt. BVJK Sharma is a member of Institute of Chartered Ship Brokers, London (MICS), and International Harbour Masters Association. He also holds the certificate of competency as MASTER (Foreign Going) issued by the Government of India. He is a licensed Insurance Surveyor & Loss Assessor.

Name of Director	Mr. N K Jain	Mr. K C Jena*	Capt. BVJK Sharma
Directorship in other other Indian Public Limited Company	• JSW Infrastructure Limited • JSW Energy Limited • JSW Holdings Limited • Raj West Power Limited • JSW Cement Limited • Himachal Baspa Power Company Limited	• JSW Infrastructure Limited	• JSW Infrastructure Limited, • Jaigarh Digni Rail Limited
Chairmanship/Membership of Committees in other Indian Public Limited Company (C=Chairperson) (M=Member)	**Audit Committee** • JSW Infrastructure Limited (M), • JSW Holdings Limited (M), • JSW Energy Limited(M), • JSW Cement Limited (M), **CSR Committee** • JSW Infrastructure Limited(M), • JSW Holdings Limited (C) • JSW Energy Limited (M), • JSW Cement Limited (M) • Raj West Power Limited (C) **NRC Committee** • JS W Infrastructure Limited (M), • JSW Holdings Limited (M), • JSW Energy Limited(M), • Raj West Power Limited (M), • JSW Cement Limited (M)	**Audit Committee** • JSW Infrastructure Limited(M), **CSR Committee** • JSW Infrastructure Limited(M), **NRC Committee** • JSW Infrastructure Limited(M),	Nil

Name of Director	Mr. N K Jain	Mr. K C Jena*	Capt. BVJK Sharma
No. of Equity Shares	Nil	Nil	Nil
Relationship between Directors inter-se with other Directors and Key Managerial Personnel of the Company	None	None	None
Terms & Conditions of appointment or re-appointment	To be re-appointed as Director liable to retire by rotation	To be appointed as an Independent Director not liable to retire by rotation for 5 years	To be re-appointed as the Jt. Managing Director for a period of 5 years
Remuneration last drawn	Nil	Not Applicable	Nil
Remuneration proposed to be paid	Nil	Sitting fees & commission in accordance with the provisions of Companies Act, 2013	Nil
Number of Meeting of the Board attended during the year	4 of 4	2 of 3	4 of 4

* Mr. K C Jena had resigned on November 16, 2017 and was re-appointed as the Independent Director w.e.f May 4, 2018

Registered Office: JSW Centre, BandraKurla Complex,
Bandra (East) Mumbai - 400 051.
CIN: U45205MH2007PLC166784

By order of the Board of Directors
For **JSW Jaigarh Port Limited.**

Place : Mumbai
Date : May 4, 2018

Miraj Shah
Company Secretary

Directors' Report

To the Members of

JSW JAIGARH PORT LIMITED,

Your Directors take pleasure in presenting the Twelfth Annual Report of the Company, together Audited Financial Statement for the year ended March 31, 2018.

1. Financial summary or highlights/Performance of the Company

a) Financial Results

(₹ in Lakhs)

Particulars	Standalone	
	2017-18	**2016-17**
Revenue from Operations	52,783.31	44,738.19
Other Income	2,764.37	2,286.09
Total Revenue	55,547.68	47,024.28
Profit before Interest, Depreciation and Tax Expenses (EBIDTA)	33,423.98	26,584.13
Finance costs	9,016.14	4,296.76
Depreciation and amortization expenses	10,180.15	4,792.47
Profit before Tax (PBT)	14,227.69	17,494.91
Provision for Tax	4,244.69	3,215.52
Profit after Tax (PAT)	9,983.00	1,4279.39
Other comprehensive income/(loss) for the year	7.03	(4.41)
Total Comprehensive income/(loss) for the year	9,990.03	14,274.97
Add: Profit brought forward from previous year	68,202.24	53,927.27
Addition on account of corporate guarantee by parent	434.04	-
Amount available for Appropriation	78,626.31	68,202.24
Balance Carried to Balance Sheet	78,626.31	68,202.24

b) Performance highlights

Standalone

- The operating revenue and other income of your Company for fiscal 2018 was ₹55,547.68 lakhs as against ₹47,024.28 lakhsfor fiscal 2017 showing an increase of 18.13 %.
- The EBIDTA increased by 25.73 % from ₹26,584.13 lakhsin fiscal 2017 to Rs.33,423.98 lakhs in fiscal 2018.
- Profit for the year decreased by 30.09 % from ₹14,279.39 lakhsin fiscal 2017 to ₹9,983 lakhs in fiscal 2018.
- The net worth of your Company increased to ₹1,19,276.72 lakhs at the end of fiscal 2018 from ₹1,08,892.02 lakhs at the end of fiscal 2017.

The Ministry of Corporate Affairs vide Notification No. G.S.R. 742(E) dated 27th July, 2016 notified the Companies (Accounts) Amendment Rules, 2016 ("Rules") as per which it has been provided that a company is not required to prepare consolidated financial statements if its holding company files consolidated financial statements with the Registrar which are in compliance with the applicable Accounting Standards. As JSW Infrastructure Limited, holding company of the Company, files consolidated financial statements with the Registrar, the Company is not required to prepare consolidated financial statements as per the said Rules.

2. Operations & Expansion Plan

The Company continues to be engaged in the activities pertaining to Port Services and has four berths to handle over 40 million tons of bulk cargo.

The Company added two more commodities viz. Pig Iron Export and Edible Oil Import during the FY 2018.

Jaigarh port is getting ready for giant leap to handle 80 MTPA of cargo by year 2020 and is aiming for direct berthing of next generation vessels i.e. Largest Dry bulk carrier (Vale Max), LNG carrier (Q Max), Largest Container vessels (EEE Series), and very large crude carriers.

The Port has created facilities for discharge of cargo from Berth 3A, stacking in plots A1 & A2, reclaiming and mechanized loading at Berth 6A. The MHS System at Berth 1 has also been integrated with Phase II for discharge of cargo at Berth 1 and stacking in plots A1 & A2 offering the flexibility of operations.

The company has completed the construction of LNG terminal. The facility will be inaugurated with 1st FSRU vessel in the country on 1st May 2018.

Considering the future growth of demand for cargo, the company is planning to develop LPG/Chemical Terminal in the coming financial year and also handling of POL products at Jaigarh port.

Company has completed constructionof Covered Shed of 130m x 235m x 46m for handling cargo such as Coking Coal, Iron Ore and Fertilizers in Plots A1 and A2.

Construction works for Jaigarh Digni Rail link has commenced. The project is being implemented as a joint venture with Konkan Railway and Maharashtra Maritime Board.

In line with the master plan, your company is further developing and has ambitious expansion plans to raise the capacity up to 80 MTPA by 2020.

3. Transfer to Reserves

The Company proposes to transfer an amount of ₹ NIL to the General Reserve and the amount of ₹78,626.31 lakhs is proposed to be carried forward to the Balance Sheet.

4. Dividend

Your Directors have deemed it prudent not to recommend any dividend on equity shares for the year ended March 31, 2018, in order to conserve the resources for future growth.

5. Change In Capital Structure

Share Capital

The equity share capital of the Company stands at ₹40,050 lakhs as on March 31, 2018. During the year under review, your Company has not issued further share capital in any mode.

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. Finance

Your Company had outstanding debt of ₹1,44,240.98 lakhs as on March 31, 2018 from lenders.

7. 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, 2018 is attached as Annexure A in the prescribed format AOC-1 and forms part of the Board's report.

8. Subsidiary Companies

Jaigarh Digni Rail Limited. (Jaigarh Digni)

Your company had entered into an arrangement with Konkan Rail Corporation Limited to form a new subsidiary - Jaigarh Digni Rail Limited which was incorporated on May 21, 2015 for development, establishment, financing, construction, operation, maintenance and management of Jaigarh – Digni rail connectivity project. The authorised capital of the Company is ₹19,300 lakhs and paid-up share Capital of the company is ₹10,000 lakhs. Your Company holds 63% of the paid up share capital of the Company.

9. 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 are required to be furnished in compliance with Chapter V of the Act is not applicable.

10. 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.

11. 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.

12. 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.

13. 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 B 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.

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

During the year under review, there were no special resolution passed pursuant to the provisions of Section 67(3) of the Companies Act, 2013 and hence no 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.

15. Credit Rating

During the year, the Company has subjected itself for a re-rating. CARE has assigned "CARE AA- (Double A minus) rating to the long term loan facilities of the Company.

16. Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of 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 under review, Capt BVJK Sharma (DIN: 00017758) was re-appointed as a Jt. Managing Director for a period of 5 years w.e.f November 20, 2017 by the Board of Directors in their meeting held on November 08, 2017, subject to the shareholders approval in the ensuing Annual General Meeting.

During the year under review, Mr. K C Jena (DIN: 02989575) who was serving as an Independent Director had resigned from the directorship of the Company on November 16, 2017. However on May 4, 2018, Mr. Jena was appointed for a period of 5 years by the Board of Directors, subject to the shareholder approval.

During the year under review, Mr. Arun Bongirwar term expired on last Annual General Meeting.

The Company has received necessary declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013

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

Mr. Chetan Vaidya, cease to be the Chief Financial Officer of the Company w.e.f July 31, 2017 and Mr. Harish Gupta was appointed as Chief Financial Officer of the Company by the Board of Directors w.e.f November 08, 2017.

Mr. Miraj Shah was appointed as the Company Secretary of the Company by the Board of Directors w.e.f May 4, 2018. He is also holding the position of Company Secretary in the Subsidiary Company – Jaigarh Digni Rail Limited.As disclosed above, there was no other change in the Key Managerial Personnel of the Company during the year.

17. Corporate Social Responsibility Initiative

The Company firmly believes that in order to be a responsible corporate citizen in its true sense, its role is much more than providing port services. As such, the Company aims to continuously foster inclusive growth and a value based empowered society. For this, the Company engages in such initiatives for the welfare of the society.

The Company continues to strengthen its relationship with the communities in the Direct Influence Zone (DIZ) of its location and beyond, through a meaningful and purposeful engagement, implementation of a range of programmes covering all important aspects of their lives form education, health and sanitation to skill development, livelihoods, environment and water management and augmenting arts and cultural heritage.

Strategy

- The Company administers the planning and implementation of all the CSR interventions. It is guided by the CSR Committee appointed by the Board, which reviews the progress from time to time and provides guidance as necessary.
- Taking a note of the importance of synergy and interdependence at various levels, the CSR programmes are carried out directly as well as through strategic partnerships and in close coordination with the concerned State Governments.
- Priority is given to the villages in the immediate vicinity of the location , in order to get maximum effectiveness.

Thematic Areas

The Company has aligned its CSR programmes under education, health, nutrition, agriculture, environment & Water, Skill Enhancement. This helps the Company cover the following thematic interventions as per Schedule VII of the Companies Act, 2013:

- Improving Living Conditions (Health Initiatives)·
- Promoting Social Developments (Development of Anganwadis)
- Addressing Social Inequalities
- Ensuring Environmental Sustainability
- Promotion of Sports
- Rural Development Projects
- Swachh Bharat Mission

As per the Companies Act, 2013, all Companies having net worth of ₹500 crore or more, or turnover ₹1000 crore or more or a net profit of ₹5 crores or more during the financial year are required to 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 ₹ 242 lakhs towards CSR activities. Your Company has successfully spent ₹242 lakhs towards the CSR activities for FY 2017-2018.

The disclosure as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this report as Annexure C.

18. Disclosures related to Board, Committees and Policies

a) Board Meetings

The Board of Directors comprised of the following members:

Name	Designation
Mr. N K Jain	Non-Executive Director
Capt BVJK Sharma	Jt. Managing Director
Mr. K N Patel	Non-Executive Director
Ms. Ameeta Chatterjee	Independent Director

* Mr. K C Jena ceased to be Director on November 16, 2017 and was re-appointed on May 4, 2018 by the Board of Directors.

The Board of Directors met four times during the financial year ended March 31, 2018 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.	May 15, 2017
2.	July 31, 2017
3.	November 08, 2017
4.	February 01, 2018

b) Committees and Policies

1. Audit Committee

The Audit Committee is comprised of three members as follows:

Name	Designation
Mr. N K Jain	Chairperson
Capt. BVJK Sharma	Member
Ms. Ameeta Chatterjee	Member

* Mr. K C Jena ceased to be a Member from November 16, 2017

The Audit Committee met four times during the financial year ended March 31, 2018 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.	May 15, 2017
2.	July 31, 2017
3.	November 08, 2017
4.	February 01, 2018

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 Nomination and Remuneration Committee (NRC) is comprised of three members as follows:

Name	Designation
Ms. Ameeta Chatterjee	Chairperson
Mr. N K Jain	Member
Capt BVJK Sharma	Member

* Mr. K C Jena ceased to be a Member from November 16, 2017

The Nomination and Remuneration Committee met one time during the financial year ended March 31, 2018 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 Nomination and Remuneration Committee Meeting
1.	November 08, 2017

Your Company's Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, and pursuant to recommendation of Nomination and Remuneration Committee formulated the policy relating to appointment and remuneration for Directors, Key Managerial Personnel and other employees which is available on our website http://www.jsw.in/sites/default/files/assets/industry/infrastructure/jaigarh/Final%20Nomination%20Policy%20JPL.pdf

There has been no change in the policy since the last financial year.

3. Corporate Social Responsibility (CSR) Committee

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

Name	Designation
Ms. Ameeta Chatterjee	Chairperson
Mr. N K Jain	Member
Capt BVJK Sharma	Member

* Mr. K C Jena ceased to be a Member from November 16, 2017

The Corporate Social Responsibility Committee met two times during the financial year ended March 31, 2018 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 Committee Meeting
1.	July 31, 2017
2.	November 08, 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/sites/default/files/assets industry/infrastructure/jaigarhCSR%20POLICY_JAIGARH%20PORT%20LIMITED.pdf)

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 behavior.

This Policy has been framed with a view to interalia provide a mechanism 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 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/sites/default/files/assets industry/infrastructure/jaigarh/WHISTLE% 20BLOWER %20POLICY_JAIGARH%20PORT%20LIMITED.pdf

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 growth, are taken prudently so as to plan for the best and be prepared for the worst through de-risking strategies clearly defined priorities across strategic purposes, consistent rationale for resource allocation, stress testing on what if kind of scenarios on critical factors even if source is indirect, probability is uncertain and impact is immeasurable, better anticipation, flexibility and due diligence.

b) Execution of decided plans is handled with action focus.

c) Unintended risks like related to performance, operations, compliance, systems, incident, process and transaction are avoided, mitigated, transferred (like in insurance), shared (like through sub-contracting) or probability, or impact thereof is reduced through tactical and executive management, code of conduct, competency building, policies, processes, inbuilt systems controls, MIS, internal audit reviews etc. No threshold limits are defined as objective will be to do the best possible.

d) Knowable unknown risks in fast changing Volatile, Uncertain, Complex and Ambiguous (VUCA) conditions are managed through timely sensitisation of markets trends, shifts and stakeholders sentiments.

e) Adequate provision is made for not knowable unknown risks.

f) Overall risk exposure of present and future risks remains within Risk capacity.

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

19. 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.

20. Internal Control Systems

Internal Control

The Company has a proper and adequate system of internal control, commensurate with the size and nature of its business. Some significant features of the internal control systems are:

- Adequate documentation of policies, guidelines, authorities and approval procedures covering all the important functions of the Company.
- Deployment of an ERP system that 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/ resources and protecting them from any loss.
- Ensuring the integrity of the accounting system and a proper and authorised recording and reporting of all transactions.
- Preparation and monitoring of annual budgets for all operating and service functions.
- Ensuring a reliability of all financial and operational information.
- Audit Committee, a sub-committee of the Board of Directors, comprising of Independent Directors. The Audit Committee regularly reviews audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards, etc.
- A comprehensive Information Security Policy and continuous updation of IT systems.

Internal Audit

The Company has an internal audit function that inculcates global best standards and practices of international majors into the Indian operations. The Company has a strong internal audit department reporting to the Audit Committee comprising Independent Directors who are experts in their fields. The Company extensively practices delegation of authority across its team, which creates effective checks and balances within the system to arrest all possible gaps. The internal audit team has access to all information in the organisation - this is largely facilitated by ERP implementation across the organisation.

21. 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. Auditors and Auditors Reports

a. Statutory Auditors

The observations made by the Statutory Auditors in their report for the financial year ended March 31, 2018 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. HPVS & Associates, Chartered Accountants, the Auditors of the Company, have been appointed by the shareholders at the previous Annual General Meeting dated July 31, 2017 until the conclusion of 16th Annual General Meeting and require to be ratified at every Annual General Meeting of the Company. They have confirmed their eligibility to the effect that their appointment would be within the prescribed limits under the Act and that they are not disqualified for the continuance of their appointment.

b. Secretarial Auditor

The Board had appointed M/s. Sunil Agarwal & Co., Company Secretaries to issue Secretarial Audit Report for the financial year 2017-18. Secretarial Audit Report issued by M/s. Sunil Agarwal & Co., Company Secretaries in Form MR-3 for the financial year 2017-18 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 D.

23. 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, 2018 made under the provisions of Section 92(3) of the Act is attached as Annexure E which forms part of this Report.

24. 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) **Area Lighting :** Replaced 495 HPSV lamps of High Mast with LED light fittings contributing savings of 214668 Units per year.

4) **Office Lighting :** A total of 290 CFL lights were replaced with LED fittings in Office buildings contributing saving of 14299 units per year.

5) **Street Lighting :** A total of 85 HPSV lights were replaced with LED fittings contributing saving of 15300 units per year.

6) Astronomical timer for lighting (High Masts / Conveyors / Building peripheral area) have been installed for auto mode functioning and optimizing the operating hours.

7) **Foreign Exchange Earnings and Outgo:**

Total foreign exchange used and earned during the year

(₹ in lakhs)

	FY 2017-18	FY 2016-17
Foreign Exchange earned	12655.20	10501.72
Foreign Exchange used	10589.71	12608,23

25. Environment and Pollution Control

In order to protect the environment in and around the Port premises following activities have been undertaken:

Following activities are carried out for conservation of Environment:

1) Dust suppression system is installed at all transfer points in the conveying system and the ship unloaders to limit residual dust in the discharge area.
2) Water sprinkling system and windshields installed in stack yards to suppress dust generation during stacking and reclaiming operations and to minimise windblown dust from the stockyard.
3) The Company has constructed RCC Garland drains around the stack yards for collection of run-off water from spraying system to the dump pond.
4) The Company has deployed dedicated Truck mounted water spraying system for dust suppression and Road sweeping machines are used for controlling fugitive emission generated form vehicular movement.
5) The work of green belt development within the port area is carried out as per the Green belt development plan. In the year 2017-18 the company has planted 20,096 saplings which covers around 21,200 sq.m area.
6) The Company has installed Continuous Ambient Air Quality monitoring system within the port area and similarly water quality and noise level are regularly monitored.
7) The Company has constructed two Nos. Covered Sheds for storage of Coal and Iron Ore to maintain the moisture contents and arrest the fines getting airborne.
8) The company has deployed MoEF approved consultant for carrying out Environmental Monitoring. Samples are collected periodically to monitor and safeguard the environment.

26. Other Declaration

Your Directors 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.

27. 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 Maharashtra 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

Capt. BVJK Sharma	**N K Jain**
(DIN: 00017758)	(DIN:00019442)
Jt. Managing Director	Director

Place: Mumbai
Date : May 04, 2018

Annexure A

Form No. AOC - 1

Performance of Subsidiaries, Associates and Joint Venture Companies

(Information in respect of each subsidiary/Associate Companies/Joint Venture Companies)

in ₹ lakhs except % of shareholding

Sr. No.	Name of the subsidiary	Financial year ended	Exchange rate	Share capital (paid-up)	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of share-holding
1.	Jaigarh Digni Rail Limited	March 31, 2018	INR	10,000	114.8	10,529.51	414.71	-	-	120.07	60.29	59.78	63%

Notes:

1) Proposed Dividend from any of the subsidiaries is Nil

2) Name of Subsidiaries which are yet to commence operations:

- Jaigarh Digni Rail Limited

For and on behalf of the Board of Directors

Capt. BVJK Sharma
(DIN: 00017758)
Jt. Managing Director

N K Jain
(DIN: 00019442)
Director

Harish Gupta
(Pan: ALUPG5237G)
Chief Financial Officer

Miraj Shah
(M No:A41912)
Company Secretary

Place: Mumbai

Date : May 4, 2018

Annexure B

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, arrangements, or transactions entered into during the year ended March 31, 2018, 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 lakhs)
Nature of Contract					
Purchase of Services*					
JSW Infrastructure Limited	Holding Company	12 months	Cargo handling services	January 17, 2017	7,409
JSW IP Holdings Limited	Others	12 months	Brand Royalty Fees	January 17, 2017	50
South West Port Limited	Fellow Subsidiary	12 Months	Equipment Hire and other expenses	July 31, 2017	2,805
JSW Dharamtar Port Private Limited	Fellow Subsidiary	12 Months	Cargo handling services	July 31, 2017	110

*Purchase of services is including service tax

For and on behalf of the Board of Directors

Place: Mumbai
Date : May 4, 2018

Capt. BVJK Sharma
(DIN: 00017758)
Jt. Managing Director

N K Jain
(DIN: 00019442)
Director

Annexure C

ANNUAL REPORT ON CSR ACTIVITIES

Particulars	Amount (Rs. In Lakhs)
Average net profit of the Company for last three financial years	12,123.00
Prescribed CSR Expenditure (2% of the average net profit)	242.00
Details of CSR Expenditure during the financial year:	
Total amount to be spent for the financial year	242.00
Amount Spent	242.00
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	Ambulance Service on State Highway Nivali - Jaigad Road	Improving Living Conditions	19 Villages of State Highway from Nivali to Jaigad	3.02	3.02	3.02	Direct
2	Hiring of water tankers for community in acute condition/ ice plant	Improving Living Conditions	Jaigarh, Sakhrmohalla, Nandiwade, Padve, Kudli, Jambhari, Warvade	7.78	7.78	7.78	Fishermen Society
3	Water Conservation - Well repair, development of water storage and bore well etc)	Improving Living Conditions	Rictoli village	12.74	12.74	12.74	Zila Parishad
4	Special School - Aavishkar	Improving Living Conditions	Ratnagiri Taluka	0.99	0.99	0.99	Avishkar school
5	Village transformation mission project at Garchiroli	Improving Living Conditions	Garchiroli	30.0	30.0	30.0	Govt of Maharashtra
6	Celebration of special occasions like 'Eliminate Malnourishment Day' etc.	Promoting Social Development	Jaigarh Panchkroshi	0.21	0.21	0.21	Direct
7	JVM-Jindal VidyaMandir	Promoting Social Development	Jaigarh Panchkroshi	30.02	30.02	30.02	Direct
8	Honororium for two assistant teachers	Promoting Social Development	Jaigarh Panchkroshi	2.41	2.41	2.41	Direct
9	MPSC, UPSC guidance programme, awarness on swachata at Jaigad Panchkroshi	Promoting Social Development	Jaigarh Panchkroshi, Chafe, Malgund, Khnadala, Saitwade	2.09	2.09	2.09	Direct

(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
10	Anganwadi beautification, renovation	Promoting Social Development	Jaigarh, Sakharmohalla	1.86	1.86	1.86	Direct
11	SHG development-equipment and infra support	Addressing Social Inequalities	Jaigarh, Sakharmohalla, Nandiwade	0.23	0.23	0.23	Self Help Group
12	Solar Street Lights	Addressing Environmental issues	Jaigarh, Nandiwade	2.94	2.94	2.94	Self
11	Protection and Promotion of Bio-Diversity BNHS	Addressing Environmental issues	Kasari	25.33	25.33	25.33	BNHS
12	Village, Taluka, district level sports events	Promotion of Sports	Jaigarh, Padve and Ratnagiri District	3.35	3.35	3.35	Direct
13	Rural BPO at OPJC	Rural BPO at OPJC	Jaigarh Panchkroshi	2.35	2.35	2.35	Father Agnal
14	Karhateshwar Electrical work	Rural Development projects	Nandiwade	2.35	2.35	2.35	Direct
15	Nivali Jaigad road community work	Rural Development projects	5 Gram Panchayat between Jaigarh to Nivali	10.00	10.00	10.00	Gram Panchayat
16	Sewage system at Jaigad, Jaigad vividh society	Rural Development projects	Jaigarh and Sakharmohalla	6.77	6.77	6.77	Fishermen society
17	Road work at Kasari	Rural Development projects	Kasari	22.85	22.85	22.85	Direct
18	Approach road to fishermen at Padave	Rural Development projects	Padve	41.19	41.19	41.19	Direct
19	Embankment work at JFSL and Retaining wall at SakharMohalla	Rural Development projects	Jaigarh and Sakharmohalla	17.01	17.01	17.01	Direct
20	Z.P.School furniture repairing and drainage work at Jaigad	Rural Development projects	Jaigarh	3.32	3.32	3,32	Direct
21	Waste Management - Ganpatipule Beach - cleaning Swacchata Mitra	Swacha Bharat Abhiyan	Ganpatipule	1.12	1.12	1.12	Direct, District admin, Gram Panchayat
22	Administration and Contingency	Administration and Contingency	Jaigarh	12.10	12.10	12,10	Direct
	TOTAL			**242.00**	**242.00**	**242.00**	

CSR RESPONSIBILITIES

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.

	Ms. Ameeta Chatterjee	Capt. BVJK Sharma
Place : Mumbai	(DIN: 03010772)	(DIN: 00017758)
Date : May 4, 2018	Chairman - CSR Committee	Jt. Managing Director

Annexure D

FORM NO. MR-3

Secretarial Audit Report for the Financial Year Ended March 31, 2018

(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 JAIGARH PORT LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JSW Jaigarh Port 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, 2018 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, 2018 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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; **(Not applicable to the Company during the audit period)**
   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; **(Not applicable to the Company during the audit period)**
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time; **(Not applicable to the Company during the audit period)**
   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; **(Not applicable to the Company during the audit period)**
   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period)**
   g) The Securities and Exchange Board of India **(Delisting of Equity Shares) Regulations, 2009;**

(Not applicable to the Company during the audit period) 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. Inland Vessels Act,1917
3. Indian Contract Act, 1872
4. Maharashtra Tenancy and Agricultural Land Act, 1948
5. Contract Labour (Regulation and Abolition) Act 1970

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 and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.(Not Applicable to the Company)

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.

I Further report that the company is having paid up share capital of Rs. 400,50,00,000. As per provisions of section 203 of the companies Act ,2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company and every other public company having a paid-up share capital of ten crore rupees or more should have whole-time key managerial personnel. Company secretary is defined under the category of Key Managerial personnel. During the audit I found that the company failed to appoint company secretary in whole time employment till the date of report and attract the violation of section of 203 of the Companies Act, 2013, However the Company has proposed the resolution for appointment of Company Secretary as per agenda dated April 27, 2018

For Sunil Agarwal & Co.
Company Secretaries

Sunil Agarwal
(Proprietor)
FCS No. 8706
COP. No. 3286

Place: Mumbai
Date: May 04, 2018

To

The Members

JSW JAIGARH PORT LIMITED

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

1. Maintenance of Secretarial Records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurances 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, I believe that the processes and practices, I followed provide reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company. I relied on the statutory report provided by the Statutory Auditor as well as Internal Auditor of the company for the financial year ending 31 March, 2018.
4. I have obtained the management representation wherever required about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit reports neither an assurance as to the future liability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For SUNIL AGARWAL & CO.
Company Secretaries

SUNIL AGARWAL
(Proprietor)
FCS No. 8706
COP. No. 3286

Place: Mumbai
Date: May 04, 2018

Annexure E

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March 2018

[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	:	U45205MH2007PLC166784
Registration Date	:	January 06, 2007
Name of the Company	:	JSW Jaigarh Port 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	:	No
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 thecompany
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 Limited	U45200MH2006PLC161268	Holding Company	100	Section 2(46)
2	Jaigarh Digni Rail Limited	U60232MH2015PLC264711	Subsidiary Company	63	Section 2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

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.	40,04,99,400	600	40,05,00,000	100	40,04,99,400	600	40,05,00,000	100	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other (Trust)	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	**40,04,99,400**	**600**	**40,05,00,000**	**100**	**40,04,99,400**	**600**	**40,05,00,000**	**100**	**0.00**
(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)	**40,04,99,400**	**600**	**40,05,00,000**	**100**	**40,04,99,400**	**600**	**40,05,00,000**	**100**	**0.00**
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) FIIs	-	-	-	-	-	-	-	-	-
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 Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (Trust)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2):	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C. Shares held by									
Custodian for									
GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**40,04,99,400**	**600**	**40,05,00,000**	**100**	**40,04,99,400**	**600**	**40,05,00,000**	**100**	**0.00**

Notes: 1) Bodies Corporate under the head "Promoter" holds shares along with its nominees

ii. SHAREHOLDING OF PROMOTERS:

Sr. 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 Limited	40,05,00,000	100	-	40,05,00,000	100	-	0.00
	Total	40,05,00,000	100	-	40,05,00,000	100	-	0.00

* Along with Nominees

iii. CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):

Sr. No.	Name of the Shareholder	Shareholding at the beginningof the year		Cumulative Share- holding during theyear	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	*JSW Infrastructure Limited				
	At the beginning of the year	40,05,00,000	100	40,05,00,000	100
	Purchase/sale during the year	-	-	-	-
	At the End of the year	40,05,00,000	100	40,05,00,000	100

* Along with Nominees

iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginningof the year		Cumulative Share- holding during theyear	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	Purchase/Sale during the year	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-

v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginningof the year		Cumulative Share- holding during theyear	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	-	-	-	-

Note: The shareholding if any, is in a capacity of nominee and the director/key managerial personnel have no beneficial interest.

V. INDEBTEDNESS:

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

(in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	96,894.31	8,672.13	-	1,05,566.44
ii) Interest due but not paid	-	96.02	-	96.02
iii) Interest accrued but not due	157.19	1.64	-	158.83
Total (i+ii+iii)	**97,051.50**	**8,769.79**	**-**	**1,05,821.28**
Change in Indebtedness during the financial year				
Addition	38,221.18		-	38,221.18
Reduction/Repayment	-	1,250.00	-	(1,250.00)
Impact due to IND AS	(370.74)			(370.74)
Impact due to foreign fluctuations	2,074.09			2074.09
Net Change	**39,924.54**	**(1,250.00)**	**-**	**38,674.54**
Indebtedness at the end of the financial year				
i) Principal Amount	1,36,818.85	7,422.13	-	1,44,240.98
ii) Interest due but not paid	-	537.37	-	537.37
iii) Interest accrued but not due	138.24	7.73	-	145.97
Total (i+ii+iii)	**1,36,957.09**	**7,967.23**	**-**	**1,44,924.32**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager(Amount in Rs)

Sl. No.	Particulars of Remuneration	*Capt. BVJK Sharma (Jt. Managing Director)
1	Gross salary	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	3,44,56,200
	(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	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others, specify	-
5	Employers contribution towards PF	11,02,020
	Total (A)	3,55,87,020
	Ceiling as per the Act	*NA

*Capt. BVJK Sharma is in receipt of remuneration from South West Port Limited, subsidiary of a holding company of the Company, where he is holding an office/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:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rs)
		Mr. Arun Bongiwar	Mr. N K Jain	Mr. K C Jena	Ms. Ameeta Chatterjee	
1.	Independent Directors					
	Fee for attending board / committee meetings	20,000	-	1,40,000	2,20,000	3,80,000
	Commission	-	-	-	-	-
	Others, please specify - Commission	5,00,000	-	5,00,000	5,00,000	15,00,000
	Total (1)	5,20,000	-	6,40,000	7,20,000	18,80,000
2.	Other Non-Executive Directors					
	Fee for attending board / committee meetings	-	2,20,000	-	-	2,20,000
	Commission	-	-	-	-	-
	Others, please specify	-	5,00,000	-	-	5,00,000
	Total (2)	-	7,20,000	-	-	7,20,000
	Total (B)=(1+2)	5,20,000	7,,20,000	6,40,000	7,20,000	26,00,000
	Total Managerial Remuneration					NA
	Overall Ceiling as per the Act					NA

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total (Rs)
		CS (Mr. Miraj Shah) From 04.05.2018	CFO (Mr. Chetan Vaidya) Till 31.07.2017	CFO (Mr. Harish Gupta) From 08.11.2017	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	10,71,910	17,33,941	28,05,851
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	6,63,446	1,00,936	7,64,382
	(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	-	19,514	73,477	92,991
	Total	**-**	**17,54,870**	**19,08,354**	**36,63,224**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no Penalties/ Punishment/ Compounding of Offences during the year ended March 31, 2018

Independent Auditors' Report

TO THE MEMBERS OF JSW JAIGARH PORT LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone financial statements of JSW Jaigarh Port Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year 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 sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standalone 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 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 and the order under sub-section 11 of Section 143 of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone 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 financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Other Matters

1. The financial statements of the Company for the year ended March 31, 2017 in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 15, 2017.

Report on Other Legal and Regulatory Requirements

2. 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.

3. As required by sub-section 3 of Section 143 of the Act, based on our audit 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, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   (e) On the basis of written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 31 of the 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; and

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

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

Hitesh R Khandhadia
Partner
M. No.158148

Place: Mumbai
Date: May 04, 2018

Annexure A

to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JSW JAIGARH PORT LIMITED of even date)

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

(b) The Company has a program of verification of its fixed assets through which all the fixed assets are verified in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, reporting under the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable.

(iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186(1) of the Act. Further, as the Company is engaged in the business of providing infrastructural facilities, the provisions of Section 186[except for sub-section(1)] are not applicable to it.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(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 the records of the company examined by us, in our opinion, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amounts payable were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, details of dues of income tax, duty of customs, duty of excise, value added tax and cess which have not been deposited as on March 31, 2018 on account of disputes are given below:

Name of the Statue	Nature of Dues	Amount (Rs in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax liability	60.54	A.Y. 2008-09	Income Tax Officer
		253.85	A.Y. 2010-11	Commissioner of Income Tax (Appeals)
		431.10	A.Y. 2013-14	Income Tax Officer
Finance Act, 1994	Service tax liability	1198.41	F.Y. 2009-10, 2010-11 & F.Y. 2011-12	Central Excise and Service Tax Appellate Tribunal ("CESTAT"), Mumbai
		2.15	F.Y. 2012-13	Commissionrate, Kolhapur
		2.87	F.Y. 2013-14	CESTAT, Mumbai
		4.77	F.Y. 2013-14	Addl. Commissioner, Ratnagiri
		233.69	F.Y. 2014-15 & 2015-16	Addl. Commissioner, Kolhapur
		5.18	F.Y. 2014-15 & 2015-16	CESTAT, Mumbai
		5239.27	F.Y. 2014-15	CESTAT, Mumbai

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to the banks during the year. The Company has not taken any loan from a government or by way of issue of debentures.

(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) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officer or employees 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 Holding Company and Fellow Subsidiary Company. The remuneration is paid to him by the Fellow 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 to the Company.

(xii) In our opinion, the Company is not a Nidhi Company and hence, reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, and hence, reporting under paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Hence, reporting under paragraph 3 (xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence, reporting under paragraph 3(xvi) of the Order is not applicable to the Company.

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

Hitesh R Khandhadia
Partner
M. No.158148

Place: Mumbai
Date: May 04, 2018

Annexure B

to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JSW JAIGARH PORT LIMITED of even date)

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 Jaigarh Port Limited("the Company") as of March 31, 2018, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls. 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 auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone Ind AS 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 controls 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 explanations 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 March 31, 2018, 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 H P V S & Associates
Chartered Accountants
Firm Registration No.: 137533W

Hitesh R Khandhadia
Partner
M. No.158148

Place: Mumbai
Date: May 04, 2018

Balance Sheet

as at 31st March, 2018

₹ in Lakhs

Particulars	Note no.	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	238,313.57	184,320.48
Capital work-in-progress	2	22,319.79	28,103.38
Other intangible assets	3	59.51	103.74
Intangible assets under development	2	73.16	101.76
Financial assets			
Investments	4	6,300.00	2,524.15
Other financial assets	5	14,853.04	14,929.96
Other non-current Assets	6	7,560.99	16,171.41
Total non-current assets		**289,480.06**	**246,254.88**
Current Assets			
Inventories	7	3,302.62	2,683.11
Financial assets			
Trade receivables	8	17,057.05	9,205.33
Cash and cash equivalents	9	2,266.84	461.96
Other financial assets	10	8.53	8.17
Current tax assets (net)	11	1,853.67	1,970.74
Other current assets	12	23,730.94	8,809.37
Total current assets		**48,219.65**	**23,138.68**
TOTAL ASSETS		**337,699.71**	**269,393.56**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	40,050.00	40,050.00
Other equity	14	79,226.72	68,842.04
Total Equity		**119,276.72**	**108,892.04**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	119,253.86	63,712.21
Other financial liabilities	16	17,580.42	19,206.26
Provisions	17	65.30	80.22
Deferred tax liabilities (Net)	11	14,626.78	10,805.76
Other non current liabilities	18	8,417.54	-
Total non-current liabilities		**159,943.90**	**93,804.45**
Current Liabilities			
Financial Liabilities			
Borrowings	19	20,034.02	40,604.23
Trade payables	20	16,917.78	13,586.37
Other financial liabilities	21	17,606.03	10,530.53
Other current liabilities	22	3,914.69	1,950.11
Provisions	23	6.57	25.84
Total current liabilities		**58,479.09**	**66,697.08**
TOTAL EQUITY AND LIABILITIES		**337,699.71**	**269,393.56**
Significant accounting policies and key accounting estimates and judgement	**1**		

The accompanying notes form an integral part of financial statements.

As per our attached report of even date

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

Hitesh R Khandhadia
Partner
Membership No. 158148

Date: 4th May 2018
Mumbai

For and on behalf of the Board of Directors

Capt. BVJK Sharma
Joint Managing Director
DIN : 00017758

N K Jain
Director
DIN : 00019442

Harish Gupta
Chief Financial Officer

Miraj Shah
Company Secretary
M. No. 41912

Statement of Profit and Loss

for the year ended 31st March, 2018

₹ in Lakhs (Except EPS)

Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
INCOME			
Revenue from operations	24	52,783.31	44,738.19
Other income	25	2,764.37	2,286.09
Total income (1)		**55,547.68**	**47,024.28**
EXPENSES			
Operating expenses	26	17,652.47	16,505.72
Employee benefits expense	27	1,527.79	1,593.16
Finance costs	28	9,016.14	4,296.76
Depreciation and amortisation expense	29	10,180.15	4,792.47
Other expenses	30	2,943.44	2,341.26
Total expenses (2)		**41,319.99**	**29,529.37**
Profit before tax (1-2)		**14,227.69**	**17,494.91**
Tax expense			
Current tax	11	657.09	1,214.08
Deferred tax	11	3,587.60	2,001.44
Profit for the year (3)		**9,983.00**	**14,279.39**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of employee benefits expenses		10.75	(6.75)
Income tax relating to items that will not be reclassified to profit or loss		(3.72)	2.34
Total other comprehensive income/(loss) for the year (4)		**7.03**	**(4.41)**
Total comprehensive income for the year (3 + 4)		**9,990.03**	**14,274.97**
Earning per share (Rs.)			
(Face value of equity share of Rs. 10 each)			
Basic (Rs.)	48	2.49	3.56
Diluted (Rs.)	48	2.49	3.56
Significant accounting policies and key accounting estimates and judgement	**1**		

The accompanying notes form an integral part of the financial statements.

As per our attached report of even date

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

Hitesh R Khandhadia
Partner
Membership No. 158148

Date: 4th May 2018
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For and on behalf of the Board of Directors

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N K Jain
Director
DIN : 00019442

Harish Gupta
Chief Financial Officer

Miraj Shah
Company Secretary
M. No. 41912

Statement of Changes in Equity

for the year ended 31st March, 2018

A) EQUITY SHARE CAPITAL

₹ in Lakhs

Balance as at 1st April, 2017	Movement during the year	Balance as at 31st March, 2018
40,050.00	-	40,050.00

Balance as at 1st April, 2016	Movement during the year	Balance as at 31st March, 2017
40,050.00	-	40,050.00

B) OTHER EQUITY

₹ in Lakhs

Particulars	Retained Earnings	ESOP compensation reserve	Other comprehensive income / (loss)	Total equity attributable to equity holders of the Company
Balance as at 1st April, 2017	68,191.35	639.80	10.89	68,842.04
Profit for the year	9,983.00	-		9,983.00
Financial Guarantee Impact	434.04			434.04
Other comprehensive income / (loss) for the year				-
Re-measurements loss on defined benefit plans		-	7.03	7.03
Employee stock option expense	-	(39.38)		(39.38)
Balance as at 31st March, 2018	**78,608.39**	**600.42**	**17.92**	**79,226.73**

₹ in Lakhs

Particulars	Retained Earnings	ESOP compensation reserve	Other comprehensive income / (loss)	Total equity attributable to equity holders of the Company
Balance as at 1st April, 2016	53,911.97	165.88	15.30	54,093.15
Profit for the year	14,279.38	-		14,279.38
Other comprehensive income / (loss) for the year				-
Remeasurements loss on defined benefit plans		-	(4.41)	(4.41)
Financial Guarantee Impact				-
Fair value profit / (loss) on FVOCI financial asset				-
Employee stock option expense	-	473.92		473.92
	68,191.35	**639.80**	**10.89**	**68,842.04**

As per our attached report of even date

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

Hitesh R Khandhadia
Partner
Membership No. 158148

Date: 4th May 2018
Mumbai

For and on behalf of the Board of Directors

Capt. BVJK Sharma
Joint Managing Director
DIN : 00017758

N K Jain
Director
DIN : 00019442

Harish Gupta
Chief Financial Officer

Miraj Shah
Company Secretary
M. No. 41912

Statement of Cash Flow

for the year ended 31st March, 2018

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
[A] CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**14,227.69**	**17,494.90**
Adjustments for:		
Depreciation and amortisation expense	10,180.15	4,815.57
Finance costs	9,016.14	4,296.76
Shared based payment	(39.38)	-
Interest income	(532.99)	(214.52)
Profit on sale of investments (Net)	(56.80)	(60.29)
Financial guarantee	434.04	-
Unrealised exchange (gain) (Net)	683.59	(1,865.73)
Loss on sale of Property, plant & equipment (Net)	3.43	132.15
	19,688.18	**7,103.94**
Operating profit before working capital changes	**33,915.87**	**24,598.84**
Adjustments for:		
(Increase)/ Decrease in trade and other receivables	(7,040.25)	(14,501.12)
(Increase)/ Decrease in inventories	(619.51)	1,600.87
Increase/ (Decrease) in trade and other payables	17,643.45	17,130.89
Increase/ (Decrease) in provisions	254.99	55.47
	10,038.67	**4,286.11**
Cash from operating activities	**44,154.55**	**28,884.95**
Direct taxes paid (net of refunds)	(2,331.65)	(1,915.00)
Net cash generated from operating activities [A]	**41,822.90**	**26,969.95**
[B] CASH FLOWS FROM INVESTING ACTIVITIES		
Inflows		
Sale of property, plant and equipment	1.00	27.95
Unrealised exchange gain	-	1,865.73
Sale of mutual fund	24,582.03	36,210.18
Interest received	164.66	68.20
	24,747.69	**38,172.06**
Outflows		
Purchase of property, plant and equipment and intangible assets	64,881.91	65,393.43
Purchase of investments (net)	24,525.23	36,149.89
Investment in equity shares	3,775.85	-
Investment in term deposit more than 12 months	-	-
	93,182.99	**101,543.32**
Net Cash used in investing activities [B]	**(68,435.30)**	**(63,371.26)**
[C] CASH FLOWS FROM FINANCING ACTIVITIES		
Inflows		
Proceeds from long-term borrowings	59.711.41	14,361.26
Proceeds from short-term borrowings	-	26,179.78
	59.711.41	**40,541.04**
Outflows		
Repayments of long-term borrowings	1,250.00	625.00
Repayment of short term-borrowing	21,490.22	-
Interest paid	8,553.90	4,290.10
	31,294.12	**4,915.10**
Net cash generated from financing activities [C]	**28,417.29**	**35,625.94**
NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES (A+B+C)	**1,804.88**	**(775.34)**
Cash and cash equivalents at beginning of the year	**461.96**	**1,237.31**
Cash and cash equivalents at end of the year	**2,266.84**	**461.96**

Notes :

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

(b) Cash and cash equivalents comprises of

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Cash on hand	-	3.77
Balance with banks		
- Current accounts	537.47	202.08
- Fixed deposit with less than 3 months maturity	1,729.37	256.11
Cash and Cash Equivalents in Cash Flow Statement	**2,266.84**	**461.96**

(c) Amendment to IND AS-7

The amendments to IND AS-7 cash flow statements requires the entities to provide disclosures that enable users of 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 requirements. This amendment has become effective from 1st April, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment.

₹ in Lakhs

Particulars	As at 31st March, 2017	Cash flows	Non cash changes: Foreign exchange movement	Non cash changes: Fair value changes	As at 31st March, 2018
Long-term borrowings	64,962.21	58,461.41	1,154.08	(370.7)	124,206.97
Short-term borrowings	40,604.23	(21,490.22)	920.01	-	20,034.02
Total liabilities from financing activities	**105,566.44**	**36,971.18**	**2,074.09**	**(370.74)**	**144,240.98**

As per our attached report of even date

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

For and on behalf of the Board of Directors

Capt. BVJK Sharma
Joint Managing Director
DIN : 00017758

N K Jain
Director
DIN : 00019442

Hitesh R Khandhadia
Partner
Membership No. 158148

Harish Gupta
Chief Financial Officer

Miraj Shah
Company Secretary
M. No. 41912

Date: 4th May 2018
Mumbai

Notes to the Financial Statements

for the year ended 31st March, 2018

COMPANY OVERVIEW

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

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

1. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1.1 Basis of preparation of 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 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 overall the periods presented in these financial statements.

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 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 considered to have indefinite useful lives and hence 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	2-18 Years
Ships	28 years
Office equipment	3-20 Years
Computer equipment	3-6 Years
Furniture and fixtures	10-15 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 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 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. Impairment of Property, plant and equipment and intangible assets other than goodwill

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

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

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

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

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

6. 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.

7. 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.

8. 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's 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'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 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.

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.

9. Investment in subsidiaries, associates

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

10. 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 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

11. Financial Instruments

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.

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

a) Investments and other financial assets:

Classification

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

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

ii) those measured at amortized cost.

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

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

Initial recognition and measurement

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

Subsequent measurement

After initial recognition, financial assets are measured at:

i) fair value (either through other comprehensive income or through profit or loss) or,

ii) amortized cost

Debt instruments

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

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

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

Gains or Losses on De-recognition

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

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

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

Gains or Losses on De-recognition

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

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

De-recognition

A financial asset is de-recognised only when

i) The Company has transferred the rights to receive cash flows from the financial asset or

ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

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

Impairment

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

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

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

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

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

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

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

Income recognition

Effective Interest Method

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

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

b) Financial liabilities & Equity Instruments

Equity Instruments

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

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

Financial liabilities

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

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

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

De-recognition

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

Offsetting financial instruments

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

Re-classification of financial assets

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

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

12. 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 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.

13. 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.

14. 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 items 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 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 Company where it is expected that the earnings of the Company 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. 2007-2008. The Company is eligible for tax deduction available under section 80IA of the Income Tax Act, 1961 for a period of 10 years out of eligible period of 15 years. In view of the Company 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 originates 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 which originates 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 are created by way of tax credit to the 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.

15. Foreign Currency Translation

The 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 re-measured at each period end date at the exchange rate.

16. 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.

17. 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.

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 option.

18. 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.

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.

19. 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.

20. 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.

21. 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.

22. Government Grant

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

Government grants are recognised in the Consolidated Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

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

The benefit of a government loan at a below-market rate of interest and effect of this favourable interest is treated as a government grant. The Loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the income statement immediately on fulfilment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

23. Segment Reporting

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

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

24. Rounding of Amounts

All amounts disclosed in the 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 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115, 'Revenue from Contract with Customers, Appendix B to Ind AS 21, Foreign Currency Translations and Advance Consideration and amendments made by International Accounting Standards Board (IASB). These amendments are applicable to the company from 1st April, 2018. The Company will be adopting these amendments from their effective date.

a) Ind AS 115, Revenue from Contract with Customers:

Ind AS 115 supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flow arising from a contract with customers. The principles of Ind AS 115 is that an entity should recognize revenue that demonstrate the transfer of promised goods and services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard can be applied either retrospectively to each prior reporting period presented or can be applied retrospectively with the recognition of cumulative effect of contracts that are not completed contracts at the date of initial application of the standard.

Based on the preliminary assessment performed by the Company, the impact of application of the Standard is not expected to be material.

b) Appendix B to Ind AS 21, Foreign Currency Translations and Advance Consideration:

The Appendix clarifies that the date of transaction for the purpose of determining the exchange rate to use on initial recognition of asset, expense or income (or part of it) is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration towards such assets, expenses or income. If there are multiply payment or receipts in advance, then an entity must determine transaction date for each payment or receipt of advance consideration.

The impact of the Appendix on the financial statements, as assessed by the Company, is expected to be not material.

Other amendments

Following amendments to other Ind ASs which are issued but are not effective in FY 2017-18.

a) Amendments to Ind AS 112 Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in Ind AS 112.

b) Ind AS 28 Investments in Associates and Joint Ventures - Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice.

The impact of the above amendment on the financial statements, as assessed by the Company, is expected to be not material.

1.4 Key accounting estimates and Judgments

The preparation of the Company's 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.

Impairment of investments in subsidiaries and associates

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

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 financials 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.

NOTE 2:- PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

Particulars	Freehold land	Leasehold land	Buildings	Plant and machinery	Ships	Furniture and fittings	Office equipments	Vehicles	Total
Cost:									
As at 1st April, 2016	**8,845.59**	**13,419.22**	**74,867.25**	**31,248.32**	**-**	**237.56**	**110.63**	**97.62**	**128,826.19**
Additions	87.25	-	35,892.93	28,802.53	-	80.67	20.17	26.96	64,910.51
Disposals/transfers	-	-	149.60	11.60	-	2.33	-	-	163.53
As at 31st March, 2017	**8,932.84**	**13,419.22**	**110,610.58**	**60,039.25**	**-**	**315.90**	**130.80**	**124.58**	**193,573.17**
Additions	394.36	-	15,383.65	39,297.14	8,703.57	99.24	97.83	164.48	64,140.27
Disposals/transfers	-	-	-	0.98	-	0.21	2.59	20.35	24.13
As at 31st March, 2018	**9,327.20**	**13,419.22**	**125,994.23**	**99,335.41**	**8,703.57**	**414.93**	**226.04**	**268.71**	**257,689.31**
Accumulated Depreciation									
As at 1st April, 2016	-	(0.08)	3,036.62	1,429.95	-	42.08	14.95	10.26	4,533.78
Depreciation charge for the year	-	(0.08)	3,103.48	1,553.30		47.50	17.33	17.72	4,739.25
Disposals/transfers	-	-	14.88	3.67		1.79			20.34
As at 31st March, 2017	**-**	**(0.16)**	**6,125.22**	**2,979.58**	**-**	**87.79**	**32.28**	**27.98**	**9,252.69**
Depreciation charge for the year		15.44	5,066.23	4,778.55	131.39	72.20	31.85	32.79	10,128.45
Disposals/transfers		-	-	0.32		0.10	1.79	3.19	5.41
As at 31st March, 2018	**-**	**15.28**	**11,191.45**	**7,757.81**	**131.39**	**159.89**	**62.34**	**57.58**	**19,375.74**
Net book value									
As at 1st April, 2016	8,845.59	13,419.30	71,830.63	29,818.37	-	195.48	95.68	87.36	124,292.41
As at 31st March, 2017	**8,932.84**	**13,419.38**	**104,485.36**	**57,059.67**	**-**	**228.11**	**98.52**	**96.60**	**184,320.48**
As at 31st March, 2018	**9,327.20**	**13,403.94**	**114,802.78**	**91,577.60**	**8,572.18**	**255.04**	**163.70**	**211.13**	**238,313.57**

* certain property, plant and equipment are pledged against borrowing, the details relating to which have been described in note 15

* for detail of assets given on finance lease, refer note 37.

* Port infra assets has been constructed on lease hold land.

* Fixed assets addition includes exchange fluctuation loss of ₹205.47 lakhs (Previous Year ₹ nil) and borrowing cost of ₹2181.30 (Previous Year ₹3355.51 lakhs.)

NOTE 2.1:- Capital work-in-progress

Capital work in progress & pre operative expenses during construction period pending allocation) relating to property, plant & equipment.

₹ in Lakhs

Particulars	CWIP Others	Intangible assets
As at 1st April 2016	28,518.23	10.50
Additions	67,091.30	91.26
Disposals /transfers	67,506.15	-
As at 31st March, 2017	**28,103.38**	**101.76**
Additions	57,936.43	-
Disposals /transfers	63,720.02	28.60
As at 31st March, 2018	**22,319.79**	**73.16**

Capital work-in-progress includes exchange fluctuation loss of ₹353.25 lakhs (Previous Year ₹ nil) and borrowing cost of ₹1062.30 (Previous Year ₹1122.81 lakhs)

NOTE 3:- OTHER INTANGIBLE ASSETS

₹ in Lakhs

Particulars	Computer Software
Cost:	
As at 1st April 2016	**150.74**
Additions	83.21
Disposals /transfers	27.95
As at 31st March, 2017	**206.00**
Additions	7.46
Disposals /transfers	-
As at 31st March, 2018	**213.46**
Accumulated amortisation:	
As at 1st April 2016	**56.99**
Amortisation charge for the year	48.92
Disposals /transfers	3.65
As at 31st March, 2017	**102.26**
Amortisation charge for the year	51.70
Disposals /transfers	0.01
As at 31st March, 2018	**153.95**
Net book value	
As at 1st April, 2016	**93.75**
As at 31st March, 2017	**103.74**
As at 31st March, 2018	**59.51**

NOTE 4:- NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Investment in equity instruments		
Unquoted		
Subsidiaries (at cost or deemed cost)		
JSW Terminal (Mormugao) Private Limited	-	1.00
(PY 10,000 Equity shares of Rs. 10/- each)		
Jaigarh Digni Rail Limited	6,300.00	2,523.15
63,000,000 Equity shares of Rs. 10/- each		
(PY 25,231,500 Equity shares of Rs. 10/- each)		
	6,300.00	**2,524.15**
Aggregate amount of carrying value of unquoted investment	**6,300.00**	**2,524.15**
Aggregate amount of impairment value of unquoted investment	**-**	**-**

NOTE 5:- NON-CURRENT FINANCIAL ASSETS-OTHERS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Finance lease	13,956.10	14,619.99
Term deposit in margin money	896.94	309.97
	14,853.04	**14,929.96**

Term deposit with banks held as a margin money against bank guarantees & loans.

NOTE 6:- NON-CURRENT ASSETS-OTHERS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, considered good, unless otherwise stated		
Capital advances	6,844.16	16,100.42
Security deposits	67.65	70.99
Financial Guarantee Asset	649.18	-
	7,560.99	**16,171.41**

NOTE 7:- INVENTORIES

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Inventories (At lower of cost or net realisable value)		
Stores and spares	3,302.62	2,683.11
	3,302.62	**2,683.11**

Cost of inventory recognised as an expenses for the year ended 31st March 2018 ₹1,344.52 lakhs. (PY ₹997.27 lakhs)

NOTE 8:- TRADE RECEIVABLES

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
a) Secured, considered good	-	-
b) Unsecured, considered good	17,057.05	9,205.33
c) Unsecured, considered doubtful	83.66	69.06
	17,140.71	**9,274.39**
Less: Allowance for doubtful debts	83.66	69.06
	17,057.05	**9,205.33**

Trade receivable disclosed above includes amounts (see below for ageing analysis) that are past due at the end of the reporting period for which the company has not recognized an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverables.

Ageing of receivables that are past due

Particulars	As at 31st March, 2018	As at 31st March, 2017
Within the credit period	6,524.88	7,151.08
31-60 days	3,908.18	1,193.09
61-90 days	3,211.17	201.01
91-180 days	1,190.72	472.70
> 181 days	2,222.10	187.46
	17,057.05	**9,205.34**

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

NOTE 9:- CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balances with banks		
In current accounts	537.47	202.08
In term deposit account with maturity less than		
3 months at inception	1,729.37	256.11
Cash on hand	-	3.77
	2,266.84	**461.96**

NOTE 10:- CURRENT FINANCIAL ASSETS - OTHERS

Particulars	As at 31st March, 2018	As at 31st March, 2017
Security Deposit (Unsecured, considered goods)	8.53	8.17
	8.53	**8.17**

NOTE 11:- 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, 2018	For the year ended 31st March, 2017
Current income tax (MAT Liability)	3,138.27	3,908.22
Tax (credit) under Minimum Alternative Tax	(2,481.18)	(2,694.14)
Current Tax (a)	657.09	1,214.08
Deferred Tax (b)	3,591.31	2,001.44
Total Expenses reported in the statement of profit and Loss (a+b)	**4,248.41**	**3,215.52**

Income Tax expense

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Reconciliation		
Profit before tax	14,227.69	17,494.91
Accounting profit before income tax	14,227.69	17,494.91
Enacted tax rate in india	34.61%	34.61%
Computed tax expense	4,923.92	6,054.64
Expense not allowed for tax purpose	4,029.73	1,791.49
Additional allowances for tax purpose	(8,350.09)	(6,638.18)
Other temporary differences	53.53	6.13
Current tax	657.09	1,214.08
Deffered tax	3,591.31	2,001.44
Total tax expense	4,248.41	3,215.52
Effective rate of tax	29.86	18.38
MAT Credit		
MAT Liability (115JB)	3,138.27	3,908.22
MAT Credit entitlement	(2,481.18)	(2,694.14)
Current tax	**657.09**	**1,214.08**

There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 32).

Deferred tax relates to the following:

₹ in Lakhs

Particulars	As at 31st March, 2017	Recognised in statement of profit or loss	Recognised in / reclassified from other comprehensive income	As at 31st March, 2018
Expenses allowable on payment basis				
Unused tax losses / depreciation				
Other items giving rise to temporary differences	7,986.92	1,191.44	-	9,417.55
Accelerated depreciation for tax purposes	200.99	-	-	200.99
Finance lease	5.76	-	-	5.76
Fair valuation of property, plant and equipment (PP&E)	2,612.09	2,399.88	-	5,011.97
Income tax relating to items that will not be reclassified to profit or loss from OCI	(5.76)	-	(3.72)	(9.48)
Deferred tax liability	**10,800.00**			**14,626.79**
Net expense		**3,591.32**	**(3.72)**	

₹ in Lakhs

Particulars	As at 31st March, 2017	Recognised in statement of profit or loss	Recognised in / reclassified from other comprehensive income	As at 31st March, 2018
Expenses allowable on payment basis				
Other items giving rise to temporary differences	6,182.72	1,806.53	-	7,986.92
Accelerated depreciation for tax purposes	11.84	189.15	-	200.99
Finance lease		5.76		5.76
Fair valuation of property, plant and equipment (PP&E)	2,612.09	-	-	2,612.09
Remeasument of employee benefit expenses	(8.10)	-	2.34	(5.76)
Deferred tax liability	**8,798.55**		**-**	**10,800.00**
Net expense		**2,001.44**	**2.34**	

Reconciliation of deferred tax assets / (liabilities) net:

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance	10,805.76	8,804.32
Tax income during the period recognised in profit or loss	3,591.32	2,001.44
Closing balance	**14,626.78**	**10,805.76**

Movement in MAT credit entitlement

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balance at the beginning of the year	7,406.67	4,712.53
Add: MAT credit entitlement availed during the year	2,481.18	2,694.14
Less: MAT credit utilised during the year	-	-
	9,887.85	**7,406.67**

NOTE 12:- OTHER CURRENT ASSETS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, considered good		
Advance to suppliers	4,583.07	1,957.56
Advance to other related party	59.19	59.19
Prepaid expenses	202.96	243.09
Balance with Govt. authorities	8,059.65	5,141.34
Indirect tax balances/recoverable/credit	2,627.14	1,065.60
Other Advances	342.75	342.59
Unbilled Revenue	7,856.18	-
	23,730.94	**8,809.37**

NOTE 13:- SHARE CAPITAL

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Authorised:		
1,000,000,000 Equity Shares of Rs. 10/- each	100,000.00	100,000.00
Issued, Subscribed and paid-up:		
400,500,000 Equity Shares of Rs. 10/- each	40,050.00	40,050.00
	40,050.00	**40,050.00**

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

₹ in Lakhs

Authorised share capital	As at 31st March, 2018		As at 31st March, 2018	
	No. of Shares	Amounts	No. of Shares	Amounts
Balance at the beginning of the year	1,000,000,000	100,000	1,000,000,000	100,000
Movement during the year	-	-	-	-
Balance at the end of the year	**1,000,000,000**	**100,000**	**1,000,000,000**	**100,000**

₹ in Lakhs

Issued subscribed & paid up share capital	As at 31st March, 2018		As at 31st March, 2018	
	No. of Shares	Amounts	No. of Shares	Amounts
Balance at the beginning of the year	400,500,000	4,0050	400,500,000	4,0050
Movement during the year	-	-	-	-
Balance at the end of the year	**400,500,000**	**4,0050**	**400,500,000**	**4,0050**

(b) Terms / rights attached to equity shares:

The Company has one class of share capital, i.e., equity shares having face value of Rs. 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:

₹ in Lakhs

Particulars	As at31st March, 2018		As at31st March, 2017	
	No. of shares	% holding in the class	No. of Shares	% holding in the class
JSW Infrastructure Limited, the Holding company along with its nominee shareholders	400,500,000	100	400,500,000	100

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

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

NOTE 14:- OTHER EQUITY

₹ in Lakhs

Particulars	**Retained Earnings**	**ESOP compensation reserve**	**Other comprehensive income / (loss)**	**Total equity attributable to equity holders of the Company**
Balance as at 1st April, 2017	**68,191.35**	**639.80**	**10.89**	**68,842.04**
Profit for the year	9,983.00	-	-	9,983.00
Other comprehensive income / (loss) for the year	434.04	-	-	434.04
Re-measurements loss on defined benefit plans	-	-	7.03	7.03
Employee stock option expense	-	(39.38)	-	(39.38)
Balance as at 31st March, 2018	**78,608.39**	**600.42**	**17.92**	**79,226.72**

₹ in Lakhs

Particulars	**Retained Earnings**	**ESOP compensation reserve**	**Other comprehensive income / (loss)**	**Total equity attributable to equity holders of the Company**
Balance as at 1st April, 2016	**53,911.97**	**165.88**	**15.30**	**54,093.15**
Profit for the year	14,279.38	-	-	14,279.38
Other comprehensive income / (loss) for the year				-
Re-measurements loss on defined benefit plans			(4.41)	(4.41)
Fair value profit / (loss) on FVOCI financial asset				-
Employee stock option expense		473.92		473.92
Balance as at 31st March, 2017	**68,191.35**	**639.80**	**10.89**	**68,842.04**

NOTE 15. NON-CURRENT FINANCIAL LIABILITIES-BORROWINGS

₹ in Lakhs

Particulars	**As at 31st March, 2018**	**As at 31st March, 2017**
Secured loans		
Term loans from banks	118,648.56	61,790.08
Unsecured loans		
Term loans from banks	605.30	1,922.13
	119,253.86	**63,712.21**

NOTE 15.1 Nature of security and terms of repayment

₹ in Lakhs

Lender	As at 31st March, 2018	As at 31st March, 2017	Rate of Interest As at 31st March, 2018	Rate of Interest As at 31st March, 2017	Nature of security	Repayment terms
From Banks:						
Yes Bank	1,855.30	3,172.13		Floating 10.25%	Un-secured, Priority sector lending	Repayable in quarterly installments, started from Mar-2016 to Sept-2019
Consortium Loan (Leading Bank is Axis Bank)	-	61,790.08	Floating Rate 9.85% upto Jan-18	Floating Rate 10.10 % (Axis Bank Base Rate + 0.85 BPS)	First pari pasu charge on company's all present and future assets	Repaid
Axis Term Loan Normal	41,438.00	-	One Year MCLR of Axis Bank 8.55%	N.A.	First pari pasu charge on company's all present and future assets	Repayable in quarterly installments from June 2018 to June 2030
Axis Term Loan FCTL	24,896.74	-	Libor 6 Month rate + 3.4 BPS	N.A.		
South Indian Bank	7,587.32	-	One Year MCLR of Axis Bank 8.55%	N.A.		
Exim Bank FCTL - 1	29,269.85	-	Libor 6 Month rate + 2.85 BPS			
Exim Bank FCTL - 2	19,159.76	-	Libor 6 Month rate + 2.85 BPS			
Buyers credit	13,156.89	22,179.79	Libor 12 months rate+ 60 BPS	Libor + 0.60 BPS	First pari pasu charge on company's all present and future assets	180 Days to 360 days from discounting date
Working capital loan	1,377.13	12,924.44	8.95% to 9.45%	8.95% to 9.45%		Payable on demand
Loan from related party	5,500.00	5,500.00	9.75%	10.80%	Un-secured	Payable on demand
	144,240.99	**105,566.44**				

Note 15.2 Disclosure in financial statements

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Secured:		
Long term borrowings	118,648.56	61,790.08
Current maturity on long term borrowings	3,703.11	-
Short term borrowings	14,534.02	35,104.23
Unsecured:		
Long term borrowings	605.30	1,922.13
Current maturity on long term borrowings	1,250.00	1,250.00
Short term borrowings from related party	5,500.00	5,500.00
	144,240.99	**105,566.44**

NOTE 16:- NON-CURRENT OTHER FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Retention money for capital projects	1,840.56	3,943.88
Security Deposit	15,703.89	15,262.38
Deffered interest income	35.97	-
	17,580.42	**19,206.26**

NOTE 17:- NON-CURRENT PROVISONS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provision for gratuity (refer note no. 34)	-	20.46
Provision for leave encashment (refer note no. 34)	65.30	59.76
	65.30	**80.22**

NOTE 18:- NON-CURRENT OTHER LIABILITIES

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Export obligation deffered income	8,417.54	-
	8,417.54	**-**

NOTE 19:- CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Secured loans (Refer note 15.1)		
Buyers Credit	13,156.89	22,179.79
Working capital loan from bank	1,377.13	12,924.44
Unsecured loans		
Loans from related party	5,500.00	5,500.00
	20,034.02	**40,604.23**

NOTE 20. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Due to micro, small and medium enterprises	-	-
Due to others	16,917.78	13,586.37
	16,917.78	**13,586.37**

NOTE 21. CURRENT-OTHER FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Current maturity on long term borrowings	4,953.11	1,250.00
Interest accrued but not due on borrowing	615.59	-
Interest accrued and due on ICD	570.05	86.41
Payable for capital projects	5,787.40	3,831.18
Security deposit	2,500.00	3,414.57
Employee dues	144.21	230.27
Other payables	3,035.67	1,718.10
	17,606.03	**10,530.53**

*Other payables includes payment to vendors etc.

NOTE 22:- OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Statutory liabilities	261.84	362.89
Retention Money	3,081.39	1,404.09
Export obligation deffered income	571.46	
Others*	-	183.13
	3,914.69	**1,950.11**

*Others amount includes advances from customers & group company.

NOTE 23:-SHORT-TERM PROVISIONS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits expenses		
Provision for gratuity (refer note 34)	-	20.41
Provision for Leave encashment (refer note 34)	6.57	5.43
	6.57	**25.84**

NOTE 24:- REVENUE FROM OPERATIONS

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Cargo handling income	21,927.24	19,368.80
Wharfage	3,010.22	2,726.79
Dust suppression	221.00	239.24
Storage income	1,707.10	1,354.73
Port dues	1,827.29	1,340.02
Pilotage & Tug hire	2,672.76	1,932.04
Berth hire charges	5,440.67	5,850.21
Freight-MBC	1,634.85	-
Cape dredging	6,743.62	6,444.92
LNG terminal income	7,500.00	5,000.00
Other operating revenue	98.56	481.44
	52,783.31	**44,738.19**

NOTE 25. OTHER INCOME

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest income	532.99	68.21
Gain on sale of investments (net)	56.80	60.29
Exchange gain	-	1,865.73
Duty drawback	1,292.03	-
Export obligation deffered income amortization	571.46	-
Miscellaneous income	311.09	291.86
	2,764.37	**2,286.09**

NOTE 26:- OPERATING EXPENSES

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Cargo handling expenses	10,974.02	9,109.10
Royalty charges-MMB	2,212.62	1,724.32
Repair & maintenance charges	1,208.81	2,088.78
Diesel, lubricants and oil expenses	1,522.03	1,765.44
Water charges	50.76	66.62
Tug and pilotage charges	379.02	1,171.91
Maintenance dredging charges	883.59	564.41
MBC operating expenses	323.53	-
Other operating expenses	98.09	15.14
	17,652.47	**16,505.72**

NOTE 27:-EMPLOYEE BENEFITS EXPENSE

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, wages and bonus	1,214.61	936.39
Contributions to provident and other fund	76.22	56.65
Gratuity expense (Refer note no 34)	12.13	(1.75)
ESOP expenses (Refer note no 35)	131.01	473.92
Staff welfare expenses	93.82	127.95
	1,527.79	1,593.16

NOTE 28:- FINANCE COSTS

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest on loans	7,879.54	4,247.74
Other finance costs	1,136.60	49.02
	9,016.14	**4,296.76**

NOTE 29:- DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Depreciation on Tangible Assets	10,128.45	4,743.55
Amortisation on Intangible Assets	51.70	48.92
	10,180.15	**4,792.47**

NOTE 30:- OTHER EXPENSES

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Rates & taxes	165.15	254.36
Insurance charges	414.09	299.00
Legal, professional & consultancy charges	277.32	177.64
Vehicle hiring & maintenance	153.04	144.11
Security charges	57.25	129.04
Environment protection expenses	94.67	98.33
Directors sitting fees	26.00	28.40
Remuneration to auditors (Refer note no 44)	9.75	11.90
Loss on sale of fixed assets	3.43	132.15
Travelling expenses	41.63	16.28
Business development expenses	184.89	159.94
General office expenses and overheads	314.85	546.55
Rent paid	8.50	11.50
CSR expenses (Refer note no 43)	258.14	169.00
Provision for Bad Debts written off	14.60	38.70
Business support service	236.54	124.36
Foreign exchange loss (net)	683.59	-
	2,943.44	**2,341.26**

NOTE 31:- CONTINGENT LIABILITIES AND COMMITMENTS

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

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Claims against the company not acknowledged as debts		
Bank Guarantee	993.72	1,363.28
Letter of Credit	4,379.41	25,525.13
Directorate of Geology & Mining, Nagpur	31,664.76	-
Grampanchyat Nandivade	986.90	-
Additional collector Ratnagiri	51.00	51.00
(b) Service tax liability that may arise in respect of matters in appeal	6,686.35	742.13
(c) Disputed income tax liability		
A.Y. 2008-2009	60.54	60.54
A.Y. 2010-2011	253.85	253.85
A.Y. 2013-2014	431.10	-
	45,507.63	**27,995.93**

B. Commitments : (net of advances)

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	9,410.25	23,798.07
Other Commitment		
The company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of zero or concessional custom duty rate. These benefits are subject to future exports. Such export obligations at year end aggregate to	8,989.01	-

Notes:

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

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

(c) Company has fulfilled export obligation of ₹2,469.20 lakhs till 31st March, 2018.

NOTE 32:- 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, 2018	% Equity Interest As at 31st March, 2017
Subsidiaries:			
JSW Terminal (Mormugao) Private Limited	India	-	100%
Jaigarh Digni Rail Limited	India	63%	63%

List of Related Parties other than subsidiaries

Name	Nature of Relation
JSW Infrastructure Fintrade Private Limited	Ultimate Holding Company
JSW Infrastructure Limited	Holding Company
JSW Dharamtar Port Private Limited	Fellow Subsidiary
JSW Shipyard Private Limited	Fellow Subsidiary
JSW Nandgaon Port Private Limited	Fellow Subsidiary
JSW Paradip Terminal Private Limited	Fellow Subsidiary
JSW Terminal (Mormugao) Private Limited	Fellow Subsidiary
South West Port Limited	Fellow Subsidiary
JSW Steel Limited	Others
Amba River Coke Limited	Others
JSW Energy Limited	Others
JSW Cement Limited	Others
JSW Steel Coated India Private Limited	Others
Raj West Power Limited	Others
JSW Jaigarh Port Employee Welfare Trust	Others
JSW Infrastructure Employee Welfare Trust	Others
JSW Global Business Solution Private Limited	Others
Jsoft Solution Private Limited	Others
Jindal Vidya Mandir Trust	Others
JSW IP Holding Limited	Others

Key Managerial Personnel

Name	Designation
Capt. BVJK Sharma	JT. Managing Director
Harish Gupta (From 08/11/2017)	Chief Financial Officer
Chetan Vaidya (Till 10/07/2017)	Chief Financial Officer

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

₹ in Lakhs

Nature of transaction/relationship	As at 31st March, 2018	As at 31st March, 2017
Purchase of goods and services		
JSW Infrastructure Limited	7,408.80	7,056.00
JSW Steel Limited (Dolvi Plant)	859.34	762.63
JSW Steel Limited (Vijay Nagar Plant)	927.88	2,128.47
JSW Steel Coated Product Limited	247.63	135.89
JSoft Solution Limited	-	2.86
JSW IP Holding Limited	49.31	44.13
South West Port Limited	2,804.56	959.27
JSW Dharamtar Port Private Limited	110.15	-
	12,297.51	**11,089.24**
Sales of goods and services		
JSW Energy Limited	14,790.49	14,293.64
JSW Steel Limited (Dolvi Plant)	5,478.11	3,926.68
Amba River Coke Limited (Vijay Nagar Plant)	7,445.00	6,835.46
JSW Steel Limited	1,000.01	231.06
	28,713.61	**25,286.84**
Interest expense		
South West Port Limited	537.37	594.00
	537.37	**594.00**
Rent paid		
South West Port Limited	300.00	75.00
	300.00	**75.00**
Lease rent receipts		
JSW Dharamtar Port Private Limited	1,141.95	20.61
Security deposit refund		
JSW Dharamtar Port Private Limited	748.22	23.22
	748.22	**23.22**
Reimbursement of expenses incurred by our behalf		
JSW Infrastructure Limited	678.33	704.20
JSW Dharamtar Port Private Limited	76.56	2.00
South West Port Limited	-	0.69
JSW Energy Limited	220.37	644.71
	975.25	**1,351.60**
Recovery of expenses incurred by us on their behalf		
JSW Infrastructure Limited	68.81	9.28
Jsw Dharamtar Port Private Limited	119.67	0.81
South West Port Limited	12.66	173.68
Jaigarh Digni Rail Limited	116.00	144.57
	317.13	**328.34**

Amount due to / from related parties

₹ in Lakhs

Nature of transaction/relationship	As at 31st March, 2018	As at 31st March, 2017
Accounts payable		
JSW Infrastructure Limited	7,801.20	7,304.99
JSW Dharamtar Port Private Limited	129.59	1.70
South West Port Limited	2,324.09	911.23
JSW Steel Limited (Dolvi Plant)	1502.52	643.18
JSW Steel Limited (Vijay Nagar Plant)	283.85	666.69
JSW IP Holding Limited	-	49.13
	12,041.25	**9,576.92**
Accounts receivable		
Jaigarh Digni Rail Limited	-	27.44
JSW Dharamtar Port Private Limited	408.16	0.51
Finance Lease - JSW Dharamtar Port Private Limited	13,956.10	14,619.99
JSW Energy Limited	4,962.90	3,601.72
JSW Ispat Limited	4,292.12	528.96
Amba River Coke Limited	2,490.94	1,481.88
JSW Steel Limited	971.78	232.51
	27,082.00	**20,493.01**
Loans and advances receivables Other Related Party		
JSW Jaigarh Port Employee Welfare Trusts	12.52	12.52
JSW Infrastructure Employee Welfare Trusts	41.58	41.58
	54.09	**54.09**
Loans and advances payable		
South West Port Limited (Including Accrued Interest)	6,070.05	5,586.41
	6,070.05	**5,586.41**
Capital Advances given for material and services		
JSW Shipyard Private Limited	60.00	60.00
	60.00	60.00
Security Deposit received for assets, material and services		
JSW Energy Limited	5,350.00	5,350.00
JSW Dharamtar Port Private Limited	19,101.78	19,826.78
	19,101.78	**19,826.78**

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.

Compensation of key managerial personnel*

₹ in Lakhs

Nature of transaction / relationship	As at 31st March, 2018	As at 31st March, 2017
Short-term employee benefits		
Mr. Chetan Chandra-Mohan Vaidya	17.55	18.86
Mr. Harish Kumar Gupta	19.08	-
Total compensation paid to key managerial personnel	**36.63**	**18.86**

*The above figure do not includes provision for gratuity and leave encashment as the same is not determine.

NOTE 33:- PRE-OPERATIVE EXPENSES DURING THE YEAR

₹ in Lakhs

Nature of transaction / relationship	As at 31st March, 2018	As at 31st March, 2017
Employee benefits expenses	407.63	685.76
Insurance charges	76.67	341.41
Legal and professional charges	177.31	44.39
Interest on long-term borrowings	2,045.63	1,816.15
	2,707.24	**2,887.71**

NOTE 34:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS

(a) Defined contribution plans:

The Company's contribution to Provident Fund Rs. 50.02 Lakhs (Previous year Rs. 44.16 Lakhs) is recognised as an expense and included in Employee benefits expense.

(b) Defined benefit plans:

Gratuity:

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

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

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

Investment Risk:

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

Interest Risk:

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

Longevity risk:

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

Salary risk:

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

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

₹ in Lakhs

Particulars	Gratuity	
	For the year ended 31st March, 2018 (Funded)	For the year ended 31st March, 2017 (Funded)
Change in present value of defined benefit obligation during the year		
Present Value of defined benefit obligation at the beginning of the year	81.74	60.22
Interest cost	6.00	4.87
Current service cost	14.48	13.04
Benefits paid	(20.26)	(0.22)
Actuarial changes arising from changes in financial assumptions	(4.16)	6.33
Actuarial changes arising from changes in experience adjustments	(6.37)	(2.50)
Present Value of defined benefit obligation at the end of the year	71.43	81.74
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	61.33	45.02
Interest Income	4.50	3.64
Contributions paid by the employer	42.23	15.81
Benefits paid from the fund	(20.26)	(0.22)
Return on plan assets excluding interest income	0.22	(2.91)
Fair value of plan assets at the end of the year	88.03	61.34
Net asset / (liability) recognised in the balance sheet		
Present Value of defined benefit obligation at the end of the year	(71.43)	(81.74)
Fair value of plan assets at the end of the year	88.03	61.33
Amount recognised in the balance sheet	16.59	(20.41)
Net liability - non-current	16.59	(20.41)
Expenses recognised in the statement of profit and loss for the year		
Current service cost	14.48	13.04
Interest cost on benefit obligation (net)	1.50	1.23
Total expenses included in employee benefits expense	**15.98**	**14.27**
Recognised in other comprehensive income for the year		
Actuarial changes arising from changes in demographic assumptions	10.53	3.84
Return on plan assets excluding interest income	0.22	2.91
Recognised in other comprehensive income	10.75	6.75

Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	1.68	1.85
Between 2 and 5 years	8.62	12.77
Between 6 and 10 years	31.09	43.94
Quantitative sensitivity analysis for significant assumption is as below:		
Increase / (decrease) on present value of defined benefits obligation at the end of the year:	71.43	81.74
One percentage point increase in discount rate	(7.55)	(8.39)
One percentage point decrease in discount rate	8.86	9.83
One percentage point increase in rate of salary Increase	8.94	9.87
One percentage point decrease in rate of salary Increase	(7.74)	(8.56)
One percentage point increase in employee turnover rate	0.97	0.74
One percentage point decrease in employee turnover rate	(1.14)	(0.87)

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		
Discount rate	7.83%	7.34%
Salary escalation	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	107	110

Experience adjustments:-

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Defined Benefit Obligation	(71.43)	(81.74)	(60.22)	(50.20)	(33.20)
Plan Assets	88.03	61.33	45.02	24.20	21.50
Surplus / (Deficit)	16.59	(20.41)	(15.20)	(26.00)	(11.70)
Experience Adjustments on Plan Liabilities - Loss / (Gain)	(6.37)	(2.50)	(4.81)	21.20	(6.10)
Experience Adjustments on Plan Assets - Loss / (Gain)	0.22	(2.91)	17.89	6.00	-

The Company expects to contribute ₹ nil (previous year ₹ 31.07 lakhs) to its gratuity plan for the next year.

Compensated Absences

Assumptions used in accounting for compensated absences

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Present Value of unfunded obligation (₹in Lakhs)	71.87	65.18
Expense recognised in Statement of profit and loss (₹in Lakhs)	15.98	14.27
Discount Rate (p.a)	7.83%	7.34%
Salary escalation rate (p.a)	6.00%	6.00%

Provident Fund:

The company 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 provided assumption there is no deficiency as at the balance sheet date. Hence, the liability is restricted towards monthly contributions only.

NOTE 35:- EMPLOYEE STOCK OPTION PLAN (ESOP)

The board of directors of JSW Infrastructure Limited approved the Employee Stock Option Plan 2011 on November 15, 2011 and Employee Stock Option Plan 2016 on March 23, 2016 for issue of stock options to the employee of the Company and its subsidiaries. According to ESOP plans, the employee selected by the ESOP committee from time to time will be entitled to option based upon the CTC/fixed pay, subject to satisfaction of the prescribed vesting conditions. The other relevant terms of the grant are as follows:

₹ in Lakhs

Particulars	**ESOP Plan 2011**				**ESOP Plan 2016**	
	Mega Grant	**First Subsequent Grant**	**Second Subsequent Grant**	**Third Subsequent Grant**	**First Grant**	**Second Grant**
	1st December, 2011	**1st December, 2011**	**1st October, 2012**	**1st October, 2013**	**13th June, 2016**	**16th May, 2017**
Vesting period (years)	1 year	3 years	3 years	3 years	1 year	1 year
Exercise period (years)	5	3	2	1	1	1
Exercise life (years)	1.1 to 2.1	4.5	4	3.5	5	5
Weighted average Exercise price on the date of grant	10	85.66	99.68	123.75	897	1441
Weighted average fair value as on grant date	285.64	241.39	254.3	294.25	516.82	810.74

₹ in Lakhs

Particulars	**ESOP Plan 2011**				**ESOP Plan 2016**	
	Mega Grant	**First Subsequent Grant**	**Second Subsequent Grant**	**Third Subsequent Grant**	**First Grant**	**Second Grant**
	1st December, 2011	**1st December, 2011**	**1st October, 2012**	**1st October, 2013**	**13th June, 2016**	**16th May, 2017**
Options Granted	54,238	19,624	21,060	24,056	51,812	31,111
Option Vested	54,238	19,624	21,060	24,056	40,912	29,677
Options Exercised	-	-	-	-	-	-
Options lapsed	-	-	-	-	10,900	1,434
Transfer arising from transfer of employees within group companies	-10,642	-9,915	-9,880	-12,278	-	-
Options bought-out during the year	43,596	9,709	11,180	11,778	-	-
Total number of options outstanding	**-**	**-**	**-**	**-**	**40,912**	**29,677**

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

Under ESOP plan 2011 company has bought out all the outstanding 76,263 options during the year.

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

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Expense arising from equity settled share based payment transactions	131.01	473.92

For options granted under ESOP 2011 Scheme and ESOP 2016 Scheme, the weighted average fair values have been determined using the Black Scholes Option Pricing Model considering the following parameters:

₹ in Lakhs

Particulars	ESOP Plan 2011			ESOP Plan 2016		
	Mega Grant	First Subsequent Grant	Second Subsequent Grant	Third Subsequent Grant	First Grant	Second Grant
	1st December, 2011	1st December, 2011	1st October, 2012	1st October, 2013	13th June, 2016	16th May, 2017
Weighted average share price on the date of grant	Rs. 294.48	Rs. 296.47	Rs. 323.42	Rs. 379.86	Rs. 997	Rs. 1,601
Weighted average Exercise price on the date of grant	Rs. 10	Rs. 85.66	Rs. 99.68	Rs. 123.75	Rs. 897	Rs. 1,441
Expected volatility (%)	49.94%	49.94%	45.99%	45.99%	38.33%	37.89%
Expected life of the option (years)	1 year	3 years	3 years	3 years	1 year	1 year
Expected dividends (%)	0%	0%	0%	0%	0%	0%
Risk-free interest rate (%)	8.86%	8.86%	8.17%	8.76%	7.43%	6.92%
Weighted average fair value as on grant date	Rs. 285.64	Rs. 241.39	Rs. 254.3	Rs. 294.25	Rs. 516.82	Rs. 810.74

The activity in the ESOP Plans for equity-settled share based payment transactions during the year ended March 31, 2018 is set out below:

₹ in Lakhs

Particulars	ESOP Plan 2011			ESOP Plan 2016		
	Mega Grant	First Subsequent Grant	Second Subsequent Grant	Third Subsequent Grant	First Grant	Second Grant
	1st December, 2011	1st December, 2011	1st October, 2012	1st October, 2013	13th June, 2016	16th May, 2017
Outstanding as at 31st March 2016	43,596	9,709	11,180	3,214	-	-
Granted during the year	-	-	-	-	51,812	-
Forfeited during the year	-	-	-	-	8,827	-
Exercised during the year	-	-	-	-	-	-
Transfer arising from transfer of employees within group companies	-	-	-	-5,927	-	-
Outstanding as at 31st March 2017	43,596	9,709	11,180	-2,713	42,985	-
Granted during the year	-	-	-	-	-	31,111
Forfeited during the year	-	-	-	-	2,073	1,434
Exercised during the year	-	-	-	-	-	-
Transfer arising from transfer of employees within group companies	-	-	-	14,491	-	-
Bought-out during the year	43,596	9,709	11,180	11,778	-	-
Outstanding as at 31st March 2018	-	-	-	-	40,912	29,677

NOTE 36.1 :- FINANCIAL INSTRUMENTS

Capital Risk Management

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

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

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

Particulars	As at 31st March, 2018	As at 31st March, 2017
Long term borrowings	119,253.86	63,712.21
Current maturity of long term borrowings	4,953.11	1,250.00
Short term borrowings	20,034.02	40,604.23
Less :- Cash & cash equivalent	2,266.84	461.96
Net debt	141,974.15	105,104.48
Total equity	119,276.72	108,892.04
Gearing Ratio	1.19	0.97

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

(ii) Debt is defined as long and Short-term borrowings, as described in note 15.

NOTE 36.2 :- Categories of financial instrument

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.

₹ in Lakhs

Particulars	Carrying amount		Fair value	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Financial assets at amortised cost: (level-3)				
Trade receivables	17,057.05	9,205.33	17,057.05	9,205.33
Investments	6,300.00	2,524.15	6,300.00	2,524.15
Cash and bank balances	2,266.84	461.96	2,266.84	461.96
Other financial assets (non-current)	14,853.04	14,929.96	14,853.04	14,929.96
Other financial assets (current)	8.53	8.17	8.53	8.17
	40,485.46	**27,129.57**	**40,485.46**	**27,129.57**
Financial liabilities at amortised cost: (level-3)				
Loans and borrowings (Non current)	119,253.86	63,712.21	119,253.86	63,712.21
Loans and borrowings (Current)	20,034.02	40,604.23	20,034.02	40,604.23
Trade and other payables	17,606.03	10,530.53	17,606.03	10,530.53
Other financial liabilities (non-current)	17,580.42	19,206.26	17,580.42	19,206.26
Other financial liabilities (current)	17,606.03	10,530.53	17,606.03	10,530.53
	192,080.36	**144,583.76**	**192,080.36**	**144,583.76**

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).

NOTE 37:-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 Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Floating rate borrowings	124,206.96	64,962.21

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

₹ in Lakhs

Particulars	2017-18	2016-17
25 bp increase - Decrease in profit	310.52	216.94
25 bp decrease - Increase in profit	310.52	216.94

Market risk:

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

Foreign currency risk:

The Company operates only in domestic market, however Company has taken term loan and buyers credit in foreign currency. The Company is exposed to exchange rate fluctuation to the extent of outstanding term loan & buyers credit.

Foreign currency exposure (Term Loan + Buyers Credit)	₹ in Lakhs		Foreign Currency in Lakhs	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
USD	76,262.97	10,193.40	1,172.48	157.21
JPY	11,787.99	11,102.24	19,155.00	19,155.00
EURO	-	884.15	-	12.77

The above funding is unhedged (FCTL & BC)

Foreign currency sensitivity 1 % increase or decrease in foreign exchange rates will have the following impact on profit before tax.

Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2018	
	1 % Increase	% decrease	1 % Increase	% decrease
USD	(762.63)	762.63	(101.93)	101.93
JPY	(117.88)	117.88	(111.02)	111.02
Euro	-	-	(8.84)	8.84
Increase/ (decrease) in profit or loss	(880.51)	880.51	(221.79)	221.79

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.

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 Rs. 17,057.05 Lakhs and Rs. 9,205.34 Lakhs as of March 31, 2018 and March 31, 2017, respectively. The Company has its major revenue from group companies however due to third party cargo handling small quantum of credit risk is perceived.

The following table gives details in respect of percentage of revenues generated from Group companies and third party

₹ in Lakhs

Particulars	Percentage 31st March, 2018	For Year Ended 31st March, 2017	Percentage	For Year Ended
Revenue from group companies	69.60%	36,738.69	82.46%	36,892.01
Revenue from third parties	30.40%	16,044.62	17.54%	7,846.18
	100.00%	**52,783.31**	**100.00%**	**44,738.19**

Credit Risk Exposure

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2017 and March 31, 2018 was Rs.37.76 Lakhs and Rs. 14.60 Lakhs respectively.

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

Liquidity risk:

Liquidity risk is 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, 2018, the Company had a working capital of Rs. 1622.74 Lakhs and As of March 31, 2017, the Company had a working capital of Rs. (35766.39) Lakhs. The Company 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, 2018:

As at 31st March, 2018	Less than one year	1 to 5 years	〉5 years	Total
Borrowings (non current)	-	23,095.40	96,158.45	119,253.86
Borrowings (current)	20,034.02	-	-	20,034.02
Trade payables	16,917.78	-	-	16,917.78
Other financial liabilities (non-current)	-	1,840.56	15,703.89	17,544.46
Other financial liabilities (current)	17,606.03	-	-	17,606.03
	54,557.84	**24,935.96**	**111,862.35**	**191,356.15**

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

As at 31st March, 2018	Less than one year	1 to 5 years	〉5 years	Total
Borrowings (non current)	-	1,922.13	61,790.08	63,712.21
Borrowings (current)	40,604.23	-	-	40,604.23
Trade payables	13,586.37	-	-	13,586.37
Other financial liabilities (non-current)	-	3,943.88	15,262.38	19,206.26
Other financial liabilities (current)	10,530.53	-	-	10,530.53
	64,721.13	**5,866.01**	**77,052.46**	**147,639.60**

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.

NOTE 38 : PURSUANT TO IND AS-17 - LEASES, THE FOLLOWING INFORMATION IS DISCLOSED:

Assets taken on operating lease

(i) The Company has taken some of assets on lease like Mobile Harbour Crane, office premises on operating lease. The lease rentals are payable by the Company on a monthly basis.

(ii) Future minimum lease rentals payable as at 31st March, 2018 as per the lease agreements:

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Not Later than 1 year	300.00	301.56
Later than 1 year and not later than 5 years	225.00	525.00
Later than 5 years	-	-
	525.00	**826.56**

NOTE 39:-IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

₹ in Lakhs

Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2018	
	% of total consumptions	Value	% of total consumptions	Value
Spare parts				
Imported	1.14	26.33	1.99	38.14
Indigenous	98.86	2,288.61	98.01	1,875.76
	100.00	**2,314.94**	**100.00**	**1,913.90**

NOTE 40:-VALUE OF IMPORTS CALCULATED ON CIF BASIS

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Raw Material		
Components and spare parts	26.33	38.14
Capital goods	10,563.38	12,570.09
	10,589.71	**12,608.23**

NOTE 41: EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue spares	26.33	38.14
Capital goods	10,563.38	12,570.09
	10,589.71	**12,608.23**

NOTE 42: EARNINGS IN FOREIGN CURRENCY

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Berth hire income (Gross)	8,163.36	6,734.69
Pilotage (Gross)	2,667.57	2,224.76
Port Dues (Gross)	1,824.26	1,542.27
	12,655.19	**10,501.72**

NOTE 43:- CORPORATE SOCIAL RESPONSIBILITY (CSR)

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Amount spent during the year on :		
(i) CSR expenses encurred u/s 135 of the Co's Act, 2013	242.00	169.00
(ii) Other CSR expenses	16.14	-
	258.14	**169.00**

NOTE 44:- PAYMENT TO AUDITORS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Statutory Audit fees	9.70	9.60
Tax Audit fees	-	1.15
Out of Pocket expenses	-	0.13
Others	0.05	1.02
	9.75	**11.90**

NOTE 45:- SEGMENT REPORTING

The Company is primarily engaged in one business segment, namely developing, operating and maintaining the Ports services, Ports related Infrastructure development activities and development of infrastructure as determined by chief operational decision maker, in accordance with Ind-AS 108 "Operating Segment". "Considering the inter relationship of various activities of the business, the chief operational decision maker monitors the operating results of its business segment on overall basis. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements."

NOTE 46:

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 47:

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.

NOTE 48:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 33 EARNINGS PER SHARE

Particulars	As at 31st March, 2018	As at 31st March, 2017
Face value of equity share (Rs.)	10.00	10.00
Weighted average number of equity shares outstanding	400,500,000.00	400,500,000.00
Profit for the year (INR in Lakhs)	9,990.03	14,274.97
Weighted average earnings per share (Basic and Diluted) (Rs.)	2.49	3.56

NOTE 49:

The additional information pursuant to Schedule III of Companies Act, 2013 is either nil or not applicable.

NOTE 50 :

Previous year's figures have been reclassified/re-grouped, wherever necessary, to confirm with the current year's classification.

As per our attached report of even date

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

Hitesh R Khandhadia
Partner
Membership No. 158148

Date: 4th May 2018
Mumbai

For and on behalf of the Board of Directors

Capt. BVJK Sharma
Joint Managing Director
DIN : 00017758

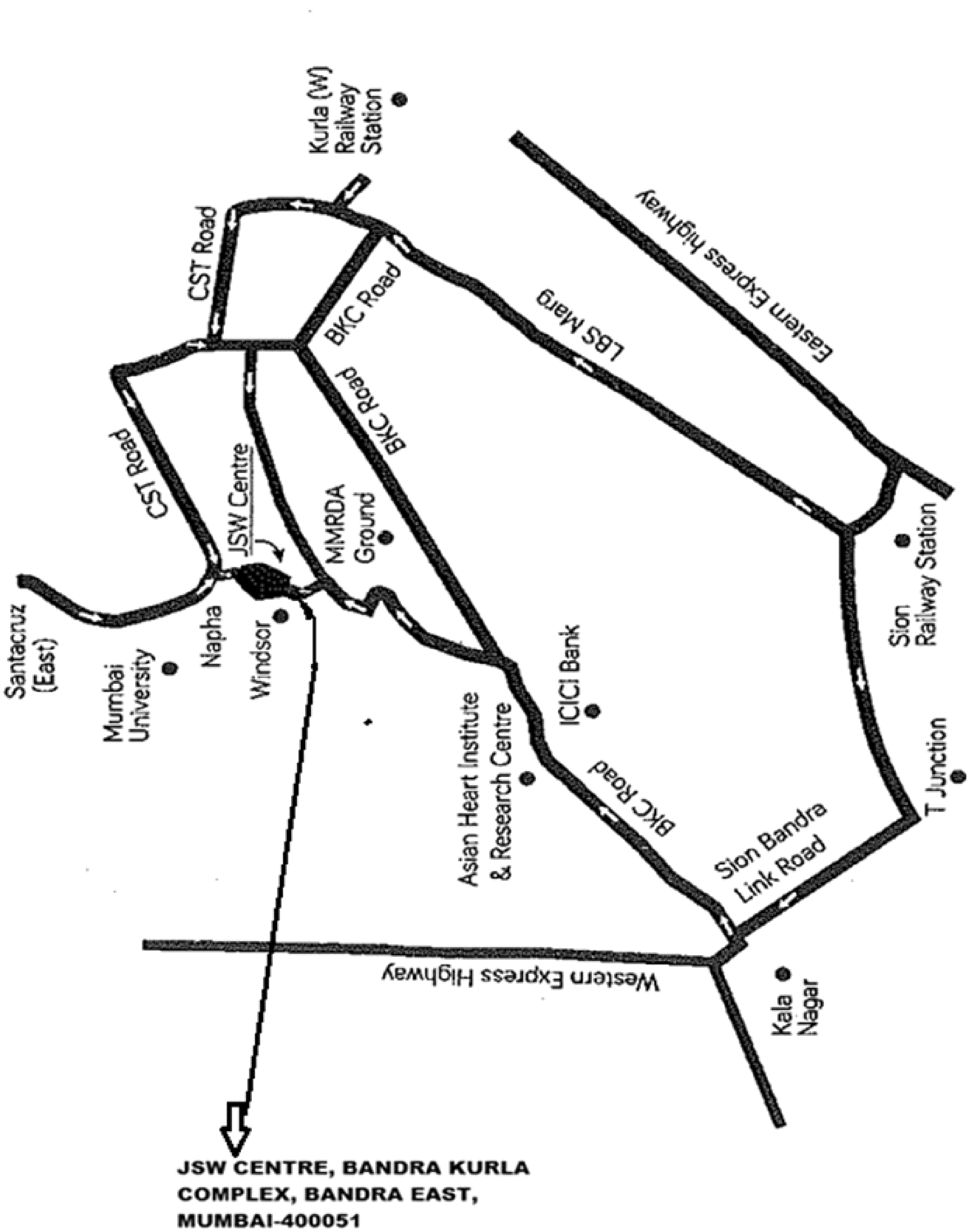
N K Jain
Director
DIN : 00019442

Harish Gupta
Chief Financial Officer

Miraj Shah
Company Secretary
M. No. 41912

ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING ON TUESDAY 31ST JULY, 2018 AT 10.30 AM

MAP



Financial Highlights

Particulars	2013-14|	2014-15	2015-16	2016-17	2017-18
Amount ₹ Million	As per I GAAP	As per I GAAP	As per Ind As	As per Ind As	As per Ind As
Throughput (MMT)	5.89	7.16	8.27	9.83	10.24
Operating Income	2,295.29	2,701.98	3,548.57	4,473.82	5,278.33
Other Income	57.22	23.72	63.47	228.61	276.44
Total Income	2,352.51	2,725.70	3,612.04	4,702.43	5,554.77
EBIDTA	1,287.95	1,154.49	1,860.09	2,658.41	3,342.40
Depreciation	453.05	293.92	459.55	479.25	1,018.01
Interest	191.34	113.74	283.93	429.68	901.61
PBT	643.57	746.83	1,116.61	1,749.48	1,422.77
Tax	1.95	6.97	212.27	321.55	424.47
PAT	641.62	739.86	904.34	1,427.93	998.30
Other Comprehensive Income	-	-	1.53	-0.44	0.70
TotalComprehensive Income	641.62	739.86	905.87	1,427.49	999.00
EPS (in ₹)	1.60	1.85	2.26	3.57	2.49
Shares in issue (nos)	400,500,000	400,500,000	400,500,000	400,500,000	400,500,000

Particulars	2013-14|	2014-15	2015-16	2016-17	2017-18
CAPITAL ACCOUNTS					
Gross Block	7,774.71	8,434.84	12,897.70	19,367.49	25,776.25
Net Block	6,266.87	6,635.20	12,438.62	18,442.42	23,838.67
Capital Work in Progress	882.72	3,976.61	2,852.87	2,810.34	2,231.98
Total Debt	425.96	4,298.99	6,509.70	10,556.64	14,424.10
Authroised Share capital	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Equity Capital	4,005.00	4,005.00	4,005.00	4,005.00	4,005.00
Reserves & Surplus	1,624.37	2,363.75	5,409.32	6,884.20	7,922.67
Sharesholders' Funds	5,629.37	6,368.75	9,414.32	10,889.20	11,927.67

RATIOS	2013-14|	2014-15	2015-16	2016-17	2017-18
Profitability Ratios					
Operating Profit Margin (EBIDTA/ Sales)	56.11%	42.73%	52.42%	59.42%	63.32%
Net Profit Margin	27.27%	27.14%	25.04%	30.37%	17.97%
Return on Capital Employed (EBIT / Cap emp)	13.79%	8.07%	8.80%	10.16%	8.82%
Return on Net Worth (PAT / Net Worth)	11.40%	11.62%	9.61%	13.11%	8.37%
Liquidity and Solvency Ratios					
Debt / Equity Ratio	0.08	0.68	0.69	0.97	1.21
Debt Coverage Ratios					
Interest coverage ratios (EBIT/ Interest exp)	4.36	7.57	4.93	5.07	2.58
Book value per Share (₹)	14.06	15.90	23.51	27.19	29.78

JSW Jaigarh Port Limited

CIN: U45205MH2007PLC166784

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