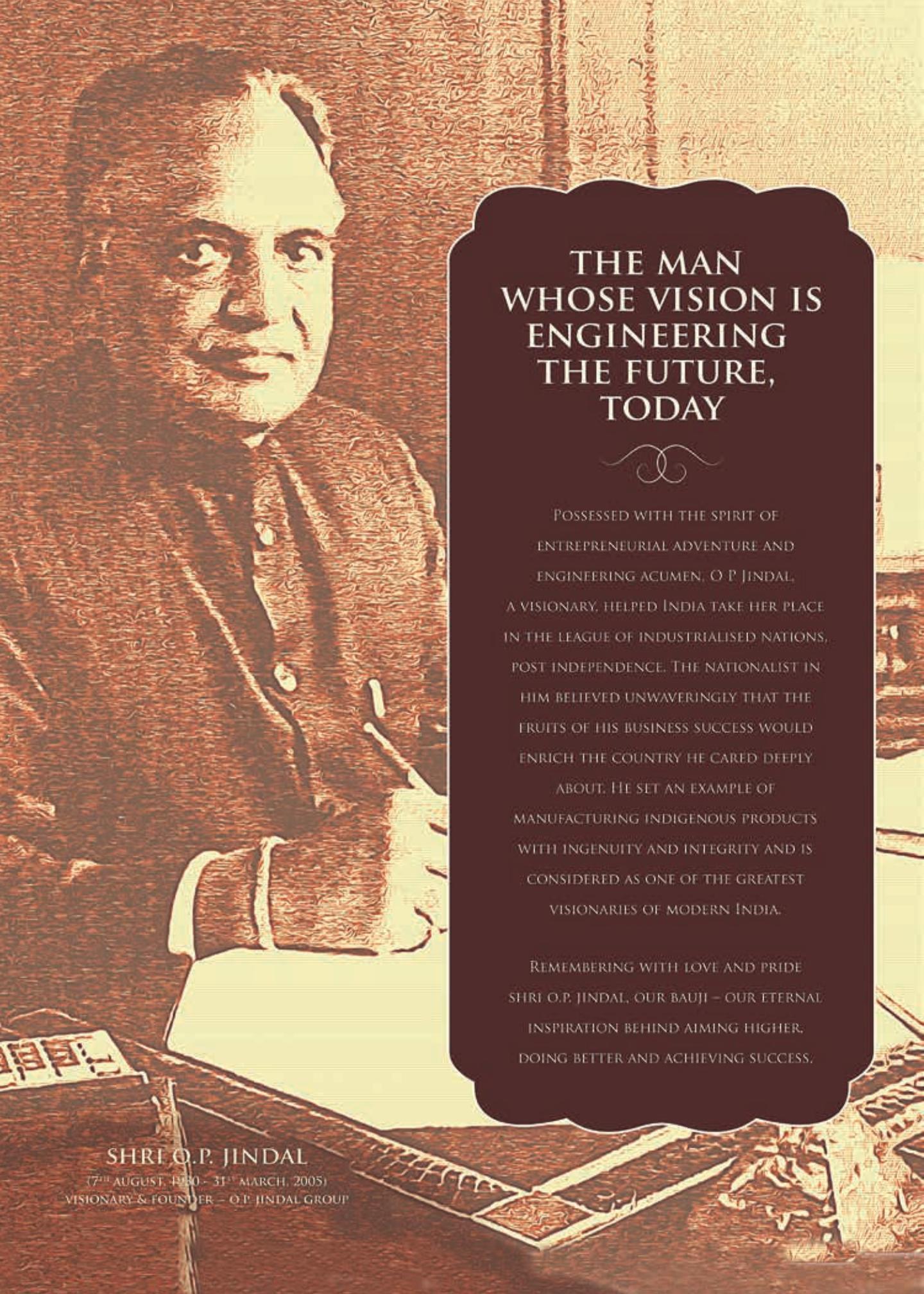


DEMONSTRATING DYNAMISM





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)

FY 2013-14	8.53
FY 2014-15	9.12
FY 2015-16	11.03
FY 2016-17	11.77
FY 2017-18	10.62

REVENUE (₹ MILLION)

FY 2013-14	2,016.81
FY 2014-15	2,180.49
FY 2015-16	2,417.14
FY 2016-17	3,021.50
FY 2017-18	2,789.29

EBITDA (₹ MILLION)

FY 2013-14	918.52
FY 2014-15	836.27
FY 2015-16	761.52
FY 2016-17	1,123.50
FY 2017-18	1,163.86

CASH PROFIT (₹ MILLION)

FY 2013-14	889.77
FY 2014-15	785.26
FY 2015-16	735.87
FY 2016-17	956.42
FY 2017-18	869.54

FY 2017-18 Highlights



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Corporate Information

Board of Directors

Mr. K N Patel

Director

Mr. Gerard Da Cunha

Director

Ms. Ameeta Chatterjee

Director

Mr. Naveen Kumar

Whole Time Director

Chief Financial Officer

Mr. Brijmohan Mantri

Company Secretary

Ms. Gazal Qureshi

Statutory Auditors

M/s H P V S & Associates

Chartered Accountants

Bankers

Axis Bank Limited

Registered Office

1st Floor, Port User Complex,
Mormugao Harbour,
Goa - 403803
Tel : 0832 - 2523000
Fax: 0832 - 2523006
E-mail: infra.mumbai@jsw.in
www.jsw.in
CIN: U45203GA1997PLC002369

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

Berth No. 5A & 6A, Mormugao Harbour,
Goa - 403 803
Tel: 0832 - 2523000
Fax: 0832 - 2523006



Notice

Notice is hereby given that the **Twenty First Annual General Meeting** of the Shareholders of **South West Port Limited** will be held on **July 30, 2018, Monday at 11.00 am at 1st Floor, Port User Complex Mormugao Harbour Goa- 403803** 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. Naveen Kumar (DIN: 07099121), 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 21st Annual General Meeting till the conclusion of the 25th 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 an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, as amended from time, the remuneration of Rs 66,000 (Rupees Sixty Six Thousand) plus Goods and Service tax as applicable and reimbursement of actual travel and out of pocket expenses as by the Board of Directors based on recommendations of Audit Committee of the

Company, be paid to M/s. Kishore Bhatia & Associates., Cost Accountants, for the conduct of the audit of the cost accounting records of the Company, for the financial year 2017-18, be and is hereby ratified and confirmed."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Articles of Association of the Company, the Company hereby approves the appointment of Mr. Naveen Kumar (DIN: 07099121) as a Whole-time Director (WTD) of the Company, without any remuneration for a period of five years with effect from November 8, 2017, who shall be liable to retire by rotation".

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

"RESOLVED THAT pursuant to the provisions of Sections 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Rashmi Ranjan Patra (DIN: 03014938), who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 4, 2018, in terms of Section 161(1) of the Companies Act, 2013 and of the Article of Association of the Company and whose term of office expires at the Annual General Meeting 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 whose period of office shall be liable to retire by rotation"

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

"RESOLVED THAT pursuant to provision of Section 94 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the members of the Company be and is hereby granted for keeping the registers required to be maintained under Section 88 along with copies of annual return prepared under Section 92 at JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400051 (Corporate Office) instead of the registered

office 1st Floor, Port Users Complex, Mormugao Harbour, Goa 403803 of the Company for a period of 5 (Five) years.

By order of the Board of Directors
For **South West Port Limited**

Gazal Qureshi

Company Secretary

Place : Mumbai

Date : May 4, 2018

Registered Office:

1st Floor, Port User Complex

Mormugao Harbour Goa- 403803

CIN: U45203GA1997PLC002369

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

ITEM NO. 4

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company.

The rules have prescribed maintenance of Cost Records and Cost Audit for Companies providing port services regulated by the Tariff Authority of Major Ports (TAMP) and having net worth of Rupees Five Hundred Crore or more or the turnover from such product or such service of Rupees One Hundred Crore or more in immediate preceding financial year.

The Company is regulated by TAMP authority, hence cost records and cost audit is applicable as per this rules.

Section 148 inter alia provides that the Central Government may direct audit of cost records of class of Companies as may be prescribed. In pursuance of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor, on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor.

Accordingly, on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on July 31, 2017, approved appointment of M/s. Kishore Bhatia

& Associates., Cost Accountants for the conduct of the audit of the cost accounting records of the Company, at a remuneration of Rs 66,000 plus service tax as applicable and reimbursement of actual travel and out of pocket expenses for the financial year ending 31st March, 2018, subject to ratification by the Members pursuant to the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditor) Rules, 2014.

None of the Directors and Key managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

Your directors recommend the resolution at Item No. 4 for your approval and ratification in terms of Section 148 of the Companies Act, 2013.

ITEM NO. 5

The Board of directors and the shareholders at their meeting held on March 30, 2015 and September 1, 2015 respectively had appointed Mr. Naveen Kumar as the Non-Executive Director of the Company.

Considering the recommendation of Nomination and Remuneration Committee. The Board at its meeting held on November 8, 2017 approved to change the designation of Mr. Naveen Kumar to Whole-Time Director (WTD) without remuneration who shall be liable to retire by rotation, for a period of five years subject to the approval of the members.

As required under clause 1.2.5 of Secretarial Standard - 2, Mr. Naveen Kumar's brief resume and other requisite

information is annexed to & forms a part of notice.

In view of his rich, varied & vast experience and distinguished career, the appointment of Mr. Naveen Kumar as a WTD of the Company, would be in the best interest of the Company.

Except Mr. Naveen Kumar, being an appointee, none of the Director and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item no. 5.

Your Directors recommend the resolution as at item no. 5 for your approval.

ITEM No. 6

Mr.Rashmi Ranjan Patra was appointed as an Additional Director by the Board of Directors with effect from May 4, 2018, subject to approval of the members.

In view of his rich, varied & vast experience and distinguished career, the appointment of Mr. Patra, would be in the best interest of the Company.

As required in clause 1,2,5 of the secretarial standard -2 Mr. Patras brief resume and other requisite information is annexed to & forms a part of notice.

Except Mr. Patra, being an appointee, none of the Director and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item no. 6.

Your Directors recommend the resolution as at Item no. 6 for your approval.

ITEM NO. 7

Under the provisions of Companies Act, 2013, certain documents such as statutory registers and copies of all annual returns prepared, together with the copies of certificates and documents required to be annexed thereto under Sections 92 of the Companies Act, 2013 and

other related books, are required to be maintained at the registered office of the Company unless a special resolution is passed in a General Meeting authorising the keeping of the register and copy of annual return at any other place in India in which more than one-tenth of the total number of members reside.

In the interest of operational and administrative convenience, it is proposed to maintain statutory registers and copies of all annual returns prepared, together with the copies of certificates and documents required to be annexed thereto under Sections 92 of the Companies Act, 2013 and other related books at JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai- 400051 (Corporate Office), a place other than its registered office.

Approval of the shareholders is required under Section 94 of the Companies Act, 2013 for effecting the change in the place at which the statutory registers and copies of annual returns to be kept.

Your Directors recommends the special resolution set out at Item No. 7 of the Notice for your approval.

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. 7.

By order of the Board of Directors
For **South West Port Limited**

Gazal Qureshi

Company Secretary

Place : Mumbai

Date : May 4, 2018

Registered Office:

1st Floor, Port User Complex,
Mormugao Harbour Goa- 403803.
CIN: U45203GA1997PLC002369

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business under item no. 4 to 7 set out and the details under clause 1.2.5 secretarial standard-2 on GM (SS-2) of issued in respect of the person (s) seeking appointment / re-appointment as Director at the AGM 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 CFO - Accounts at the Company's Registered Office at 1st Floor, Port Users Complex, Mormugao Harbour, Goa - 403 803 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.

Annexure to Notice

Pursuant to Clause 12.5 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. Naveen Kumar	Mr. Rashmi Ranjan Patra
Category/Designation	Whole-time Director	Non-Executive Director
DIN	07099121	03014938
Age	49	57
Date of Birth	16-12-1969	08-07-1961
Date of Original Appointment	30-03-2015	04-05-2018
Expertise in specific functional areas	Mr. Naveen Kumar has 21 years of experience encompassing both Internal HR and HR Consulting.	Mr. Patra has 27 yrs of qualitative expertise (including 7 years in USA, Denmark, Singapore) in design, planning, execution, supervision & management of infrastructure projects.
Qualification	Mr. Naveen Kumar is a Bachelor of Science (Chemistry) from Ravenclaw College(Cuttack) and MBA from XLR Jamshepur. He is also Master Certified Coach from BCI (USA) and a certified NLP (Neuro Linguistic Programming) practitioner	Mr. Patra has completed his education as a Civil and Coastal Engineer from IIT, Kharagpur and did his Masters from University of Florida, Gainesville, U.S.A.
Directorship in other Public Limited Companies	Nil	Nil
Chairmanship/Membership of Committees in other Public Companies	Nil	Nil

Name of Director	Mr. Naveen Kumar	Mr. Rashmi Ranjan Patra
No. of Equity Shares	Nil	Nil
Relationship between Directors inter-se with other Directors and Key Managerial Personnel of the Company	None	None
Terms & Conditions of appointment or re-appointment	To be re-appointed as Director liable to retire by rotation and also as Whole-time Director for a period of 5 years w.e.f November 8, 2017	To be appointed as Director liable to retire by rotation
Remuneration last drawn	Nil	Nil
Remuneration proposed to be paid	Nil	Nil
Number of Meeting of the Board attended during the year	4 of 4	Not Applicable

Registered Office:

1st Floor, Port User Complex
Mormugao Harbour Goa- 403303
CIN: U45203GA1997PLC002369

By order of the Board of Directors
For **South West Port Limited.**

Place : Mumbai
Date : May 4, 2018

Gazal Qureshi
Company Secretary

Director's Report

To the Members of

SOUTH WEST PORTLIMITED,

Your Directors take pleasure in presenting the Twenty First Annual Report of the Company, with the Standalone 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	2017-18	2016-17
Revenue from Operations	27,892.93	30,215.30
Other Income	3,564.87	1,858.51
Total Revenue	31,457.80	32,073.81
Profit before Interest, Depreciation and Tax Expenses (EBIDTA)	11,638.56	11,234.98
Finance costs	279.60	239.73
Depreciation & amortization expenses	3,785.76	3,182.33
Profit before Tax (PBT)	7,573.20	7,812.92
Provision for Tax	2,669.22	1,431.40
Profit after Tax (PAT)	4,903.98	6,381.52
Other Comprehensive income/(loss) for the year	5.57	0.3
Total Comprehensive Income/ (loss) for the year	4,909.56	6,381.82
Add: Profit brought forward from previous year	49,152.98	42,771.17
Less: Transfer from ESOP Reserve	588.82	-
Amount available for Appropriation	54,651.37	49,152.98
Balance Carried to Balance Sheet	54,651.37	49,152.98

b) Performance highlights

₹7,573.20 lakhs in fiscal 2018.

Standalone

- The operating revenue and other income of your Company for fiscal 2018 was ₹31,457.80 lakhs as against ₹32,073.81 lakhs for fiscal 2017 showing a decrease of 1.92 %.
- The EBIDTA increased by 3.5 % from ₹11,234.98 lakhs in fiscal 2017 to ₹11,638.56 lakhs in fiscal 2018.
- Profit before Tax for the year decreased by 3.07 % from ₹7,812.92 lakhs in fiscal 2017 to

- The net worth of your Company increased to ₹59,811.64 lakhs at the end of fiscal 2018 from ₹55,154.77 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. There was no change in nature of the business of the Company, during the year under review.

During the FY 2017-18 your company has achieved a rake loading performance of an average of 7.3 rakes/day through the In Motion Wagon Loading system and in an environment friendly way through the usage of closed loop pipe conveyor and capacity enhancement of 2 nos. Stacker-Reclaimer.

Goa Port has handled the highest number of Cape size vessels in the year totaling to 37 nos. with the largest cargo parcel size of 1,34,071 MT. Considering future growth plan, various capacity enhancement projects have been initiated to improve on vessel discharge/ rake loading facilities.

Your company has completed the capacity enhancement of the 2nd Stacker-Reclaimer with the stacking capacity from 2500 TPH to 3000 TPH and Reclaiming capacity from existing 1800 TPH to 2000 TPH under phase 2 implementation completed in the month of July 2017.

3. Transfer to Reserves

The Company proposes to transfer an amount of ₹ Nil to the General Reserve and the amount of ₹54,651.37 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

During the financial year under review, the Company has not issued further share capital in any mode. The

equity share capital of the Company stands at ₹4,620 lakhs(Previous Year ₹4,620 lakhs).

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 no outstanding Long Term Rupee term loan from Bank at the end of the year.

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

Paradip East Quay Coal Terminal Private Limited (Paradip EQ) was incorporated on April 19, 2016 for the purpose of development of mechanized Coal Terminal berth handling thermal coal exports and coastal movement at Paradip, Orissa. The authorised share capital of Paradip EQ is Rs 10,000 lakhs and paid up share capital is Rs 5,001 lakhs

JSW Paradip Terminal Private Limited (JSW Paradip) was incorporated on March 09, 2015 for the purpose of taking up implementation of Iron Ore Export Terminal at Paradip, Orissa. The Project being developed on Build Operate Transfer (BOT) basis. The authorised share capital of JSW Paradip is Rs 10,000 lakhs and paid up share capital of JSW Paradip is Rs 2,501 lakhs.

Your Company holds 26% of the paid up share capital of Paradip EQ and JSW Paradip and 74% of paid up share capital is held by JSW Infrastructure Limited.

The report on performance of SWPL (associate company) is annexed as Annexure A to this report.

8. Deposits

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

9. Material Changes and Commitments

In terms of Section 134(3)(I) 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.

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

The Consent to Operate (CTO) of the Company was revoked by the Goa State Pollution Control Board (GSPCB) by orders dated January 9, 2018, on the ground that the Company had exceeded the handling capacity of coal cargo mentioned in their CTO.

The Company had filed a Writ Petition No.56 of 2018 in the High Court of Bombay, Goa Bench and the High Court by its order dated January 12, 2018 permitted the vessels which had already sailed from respective destinations to be handled at the Company berths. The High Court also ordered that since the company had not exceeded the capacity for handling of steel slabs and limestone cargo, the order of revocation of CTO will not apply to these cargoes, accordingly allowing the handling of steel and limestone within the permitted limits. The High Court also granted liberty to the company to file a fresh application for obtaining CTO. Accordingly the Company is liaising with GSPCB to obtain a CTO afresh.

The Company has also challenged the orders of revocation of the CTO by filing an Appeal no. 7 of 2018, stating that in the absence of any pollution being caused by the Company, GSPCB could not have revoked the Company's CTO.

11. 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 notes of standalone financial statement.

12. 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.

13. 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.

14. 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. Naveen Kumar (DIN: 07099121) retires by rotation at the ensuing AGM and being eligible offers himself for reappointment.

During the year under review, under the recommendation of Nomination & Remuneration Committee, Mr. Naveen Kumar (DIN: 07099121) who was serving as a Non-Executive Director on the Board was appointed as a Whole Time Director of the Company for a period of 5 years by the Board of Directors w.e.f November 8, 2017, subject to the shareholders approval at the ensuing Annual General Meeting.

Mr. Lalit Singhvi (DIN: 05335938) who was serving as a Whole Time Director has resigned from the directorship of the Company w.e.f. November 8, 2017.

Mr. Rashmi Ranjan Patra (DIN: 03014938) was appointed as an Additional Director by the Board of Directors at their meeting held on May 4, 2018 subject to shareholders approval at the ensuing 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

During the year under review, Mr. Vijay Sardesai, Chief Financial Officer and Mr. Manjinder Singh, Company Secretary of the Company has resigned from the services of the Company on November 08, 2017 and December 11, 2017 respectively.

Considering the recommendation Nomination & Remuneration Committee, Mr. Brijmohan Mantri was appointed as Chief Financial Officer of the Company by the Board of Directors w.e.f November 08, 2017. Ms. Gazal Qureshi was appointed as the Company Secretary of the Company with effect from May 4, 2018.

As disclosed above, there was no other change in the of the Company during the year.

15 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 from 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 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
- 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 ₹138 lakhs towards CSR activities. Your Company has successfully spent ₹138 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.

16. Disclosures related to Board, Committees and Policies

a) Board Meetings

The Board of Directors comprised of the following members:

Name	Designation
Mr. Naveen Kumar	Whole-time-Director
Ms. Ameeta Chatterjee	Independent Director
Mr. Gerard Da Cunha	Independent Director
Mr. K N Patel	Non-Executive Director

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. K N Patel	Chairman
Mr. Gerard Da Cunha	Member
Ms. Ameeta Chatterjee	Member

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. Gerard Da Cunha	Member
Mr. Naveen Kumar	Member

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 NRC 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/southwest/Final%20Nomination%20Policy%20SWPL.pdf>). There has been no change in the policy since the last financial year.

3. Corporate Social Responsibility Committee

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

Name	Designation
Ms. Ameeta Chatterjee	Chairperson
Mr. Gerard Da Cunha	Member
Mr. Naveen Kumar	Member

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 NRC 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/southwest/CSR_POLICY_SOUTH_WEST_PORT_LIMITED.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.

Naveen Kumar, Whole-Time Director is designated as the Ethics Counsellor.

The Whistle Blower Policy and Vigil Mechanism may be accessed on the Company's website at www.jsw.in

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

17. 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.

18. 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.

19. 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.

20. 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 29, 2017 until the conclusion of 25th 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.

c. Cost Auditor

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Notifications/ Circulars issued by the Ministry of Corporate Affairs from time to time, your Board has appointed M/s. Kishore Bhatia & Associates, Cost Accountants, as the cost auditors to conduct the cost audit of the Company for the Financial year 2017-18, subject to ratification of the remuneration payable to the cost auditor by the shareholders to be done in the ensuing Annual General Meeting.

21. 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.

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

The particulars relating to conservation of energy technology absorption and foreign exchange earnings and outgo, required to be furnished pursuant to section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are as under:

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

(₹ in lakhs)

	FY 2017-18	FY 2016-17
Foreign Exchange earned	5747.22	12,834.64
Foreign Exchange used	247.61	11,711.72

23. Environment & Pollution Control

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

- 1) Installation of Dust Suppression System: Since the Terminal is situated near to the city Limits of Vasco-da-gama, the Company has taken utmost care in controlling pollution by installing pressurized closed loop Aqua dyne Dust Suppression System with water sprinkling arrangement which ensures lowest pollution levels at all transfer points and stock yards. There is also an ambient air monitoring station installed

very next to the storage area and Goa State Pollution Control Board records the data from this station. The Company is also taking additional steps for maintaining the air pollution at near-zero levels by covering the cargo with tarpaulins at all times. The Company has also erected wind-shields to control pollution.

- 2) The Company is following the practice of covering the loaded wagons with tarpaulin before dispatch.
- 3) The Company is conscious of the environmental sensitivity of Goa. It has planned and executed the project in such a way that the coal cargo is designed to be handled only by mechanical means. With successful implementation of mechanical handling systems supported by suitable dust suppression through multiple numbers of sprinklers; the Company has been able to maintain the target of reduced coal pollution in and around Port Area. The commissioning of in-motion wagon loading system will contribute immensely to pollution control.
- 4) The areas surrounding Berth Nos. 5A and 6A upto the gate are being continuously cleaned by a Dulevo (imported) make Road Sweeping Machine). Landscaping and greenery including tall trees, flower beds have been put in place on both sides of the Port approach road from the main gate and in the available open areas in the Port.
- 5) To further strengthen environment control measures, the Company will be exploring the possibility of installation of covered shed over the stockpiles.

23. 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.

24. 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, TAMP Authority, Ministry of Shipping, Ministry of Railways and the Government of Goa 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

K N Patel

Naveen Kumar

Place : Mumbai (DIN: 00019414)

(DIN: 07099121)

Date : May 4, 2018

Director

Whole-time Director

Annexure A

Form AOC-1

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associate	Latest audited Balance Sheet Date	Shares of Associate held by the Co. on the year end		Reason why the associate is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Lakhs)	Profit / Loss for the year (₹ in Lakhs)
			No.	Amount of investment in Associate (₹)			
1.	JSW Paradip Terminal Private Limited	March 31, 2018	650.26	65026000	26	A	B
2.	Paradip East Quay Coal Terminal Pvt Ltd	March 31, 2018	1300.26	130026000	26	A	B

Notes:

- A) There is significant influence due to % of holding in the networth of the company.
- B) 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.

For and on behalf of the Board of Directors

Naveen Kumar
(DIN: 07099121)
Whole-time Director

Gazal Qureshi
(M. No.: A16843)
Company Secretary

K N Patel
(DIN: 00019414)
Director

Brijmohan Mantri
(PAN: AJPPM1778B)
Chief Financial Officer

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	11378.47
JSW Jaigarh Port Limited	Fellow Subsidiary	12 months	Services Rendered	July 31, 2017	2,804.56
JSW IP Holdings Private Limited	Others	12 months	Brand royalty fees	January 17, 2017	34.78

Purchase of services is including service tax

For and on behalf of the Board of Directors

K N Patel
(DIN: 00019414)
Director

Naveen Kumar
(DIN: 07099121)
Whole-time Director

Place: Mumbai

Date : May 4, 2018

Annexure C

ANNUAL REPORT ON CSR ACTIVITIES

A brief outline of the Company's policy, including overview of projects or programs proposed to be undertaken and a reference to the web- link to the CSR policy and projects and the programs and composition of CSR Committee.	Refer Section: Corporate Social Responsibility in this Report
The Composition of CSR Committee	Refer Section: Corporate Social Responsibility in this Report

Particulars	Amount (₹ In Lakhs)
Average net profit of the Company for last three financial years	6,890.00
Prescribed CSR Expenditure (2% of the average net profit)	138.00
Details of CSR Expenditure during the financial year:	
Total amount to be spent for the financial year	138.00
Amount Spent	138.00
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	Health Initiatives	Improving living conditions	Mormugao Taluka	10.43	10.43	10.43	Direct
2	Development of Anganwadis	Promoting Social development	Sada and Bogda	34.25	34.25	34.25	Direct
3	Digital Education Programme	Promoting Social development	Mormugao Taluka	10	10	10	Direct
4	Water Filters for Anganwadies	Promoting Social development	Mormugao Taluka	0.92	0.92	0.92	Direct
5	Paper bag Machine facility	Addressing Social Inequalities	Dabolim	10	10	10	Self Help Group
6	Garbage collection and disposal - Sada	Swachh Bharat Mission	Sada, Bogda&Baina	17.81	17.81	17.81	Mormugao Municipal Council.

7	Garbage compactor Truck	Swachh Bharat Mission	Chicalim, Chicolna Bogmallo, Sancoale	25.66	25.66	25.66	Village Panchayat of Chicalim & Saligao Waste Management Shed
8	Support to park and forest	Addressing Environmental issues	Goa Airport Highway Median, Vasco City Garden and Vaddem Park	18.51	18.51	18.51	Direct
9	Baseline survey	Administration	Mormugao Taluka, Sada and Bainha	6.82	6.82	6.82	Direct
10	Administration	Administration	CSR DIZ area	3.60	3.60	3.60	Direct
	Total			138.00	138.00	138.00	

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.

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 4, 2018

Ms. Ameeta Chatterjee
(DIN: 03010772)
Chairman - CSR Committee

Capt. BVJK Sharma
(DIN: 00017758)
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
South West Port Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by South West 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. Land Policy for Major Ports ,2014
3. Major Port Trust Act,1963
4. Guidelines for Regulation of Tariff at Major Ports Act,2004 (TAMP Guidelines,2004)
5. Policy for preventing Private Sector Monopoly in Major Ports,2010
6. Inland Vessels Act,1917
7. Indian Contract Act, 1872

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 the Consent to Operate(CTO) of South West Port Limited (SWPL), Goa was revoked by the Goa State Pollution Control Board (GSPCB) by orders dated January 9, 2018, on the ground that the company had exceeded the handling capacity of coal cargo mentioned in their CTO.

SWPL had filed a Writ Petition No.56 of 2018 in the High Court of Bombay, Goa Bench and the High Court by its order dated January 12, 2018 permitted the vessels which had already sailed from respective destinations to be handled at SWPL's berths. The High Court also ordered that since SWPL had not exceeded the capacity for handling of steel slabs and limestone cargo, the order of revocation of CTO will not apply to these cargoes, accordingly permitting the handling of steel and limestone within the permitted limits. The High Court also granted liberty to SWPL to file a fresh application for obtaining CTO. Accordingly SWPL is liaising with GSPCB to obtain a CTO afresh.

SWPL has also challenged the orders of revocation of the CTO by filing an Appeal no. 7 of 2018 stating that in the absence of any pollution being caused by the company, GSPCB could not have revoked the company CTO.

I Further report that the company is having paid up share capital of Rs. 46,20,00,000. 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 secretary of the company has resigned w.e.f 11.12.2017. The company

requires to fill the casual vacancy of key Managerial personal (KMP) within 180 days from the date of vacancy caused.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)**

**Place: Mumbai
Date: May 04, 2018**

**FCS No. 8706
C.P. No. 3286**

To

The Members

SOUTH WEST 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
C.P. 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	:	U45203GA1997PLC002369
Registration Date	:	June 26, 1997
Name of the Company	:	South West Port Limited
Category / Sub-Category of the Company	:	Public Limited
Address of the Registered office and contact details	:	1st Floor, Port Users Complex, Mormugao Harbour, Goa - 403803
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:-

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable section
1.	JSW Paradip Terminal Private Limited	U74999MH2015PTC262561	Associate Company	26.00	Section 2(6)
2.	Paradip East Quay Coal Terminal Private Limited	U74999MH2016PTC280001	Associate Company	26.00	Section 2(6)

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.	4,15,79,998	46,20,002	4,62,00,000	100	4,15,79,998	46,20,002	4,62,00,000	100	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other (Trust)	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	4,15,79,998	46,20,002	4,62,00,000	100	4,15,79,998	46,20,002	4,62,00,000	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)	4,15,79,998	46,20,002	4,62,00,000	100	4,15,79,998	46,20,002	4,62,00,000	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)	4,15,79,998	46,20,002	4,62,00,000	100	4,15,79,998	46,20,002	4,62,00,000	100	

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 Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	Total	-	-	-	-	-	-	-

iii. Change in Promoters' Shareholding (Please Specify, If There Is No Change):

Sr. No.	Name of the Shareholder	Shareholding at the beginning of 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.	#*Starlog Enterprises Limited				
	At the beginning of the year	1,20,12,000	26.00	1,20,12,000	10
	Purchase/Sale during the year	-	-	73,92,000	-
	At the End of the year	1,20,12,000	26.00	46,20,000	10
2.	Dhamankhol Fintrade Private Limited				
	At the beginning of the year	84,20,000	18.23	84,20,000	18.23
	Purchase/Sale during the year	-	-	-	-
	At the End of the year	84,20,000	18.23	84,20,000	18.23
3.	JSW Jaigarh Infrastructure Development Private Limited				
	At the beginning of the year	1,10,00,000	23.81	1,10,00,000	23.81
	Purchase/Sale during the year	-	-	-	-
	At the End of the year	1,10,00,000	23.81	1,10,00,000	23.81
4.	Vanity Fintrade Private Limited				
	At the beginning of the year	1,02,43,062	22.17	1,02,43,062	22.17
	Purchase/Sale during the year	-	-	-	-
	At the End of the year	1,02,43,062	22.17	1,02,43,062	22.17
5.	*NalwaFintrade Private Limited				
	At the beginning of the year	45,24,938	9.79	45,24,938	9.79
	Purchase/Sale during the year	-	-	-	-
	At the End of the year	45,24,938	9.79	45,24,938	9.79
6.	Dhamankhol Engineering & Construction Co. Private Limited				
	At the beginning of the year	-	-	-	-
	Purchase/Sale during the year	-	-	22,58,872	4.89
	At the End of the year	-	-	22,58,872	4.89
7.	Tranquil Homes & Holdings Private Limited				
	At the beginning of the year	-	-	-	-
	Purchase/Sale during the year	-	-	28,74,257	6.22
	At the End of the year	-	-	28,74,257	6.22
8.	Nalwa Chrome Private Limited				
	At the beginning of the year	-	-	-	-
	Purchase/Sale during the year	-	-	22,58,871	4.89
	At the End of the year	-	-	22,58,871	4.89

* Body corporates hold shares along with nominees.

Starlog Enterprises Limited formerly known as ABG Infralogistics Limited.

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 beginning of the year		Cumulative Share- holding during the year	
		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	-	-	-	-

v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Share-holding during the year	
		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	-	-	-	-

V. INDEBTEDNESS:

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	(Amount in ₹) Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	85,32,87,246	-	-	85,32,87,246
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,52,695	-	-	1,52,695
Total (i+ii+iii)	85,34,39,941	-	-	85,34,39,941
Change in Indebtedness during the financial year				
Addition	11,53,08,014.72	-	-	11,53,08,014.72
Reduction/Repayment	(85,34,39,941)	-	-	(85,34,39,941)
Net Change	(73,81,31,926.28)	-	-	(73,81,31,926.28)
Indebtedness at the end of the financial year				
i) Principal Amount	11,31,76,733.90	-	-	11,31,76,733.90
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	21,31,280.82	-	-	21,31,280.82
Total (i+ii+iii)	11,53,08,014.72	-	-	11,53,08,014.72

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No.	Particulars of Remuneration	*Lalit Singhvi (Whole Time Director)	*Naveen Kumar (Whole Time Director) Till 08.11.2017
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,19,76,903	76,97,444
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Employers contribution towards PF	4,63,080	2,38,065
	Total (A)	1,24,39,983	79,35,509
	Ceiling as per the Act	*NA	*NA

*Mr. Lalit Singhvi and Mr. Naveen Kumar is in receipt of remuneration from JSW Infrastructure Limited, holding company of the Company. As there is no remuneration paid from the Company, ceiling as per the Act is not applicable.

B. Remuneration to Other Directors:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount (₹)
		Mr. Gerard Da Cunha	Ms. Ameeta Chatterjee	
1	Independent Directors			
	Fee for attending board / committee meetings	2,20,000	2,20,000	4,40,000
	Commission	1,00,000	1,00,000	2,00,000
	Others, please specify	-	-	-
	Total (1)	3,20,000	3,20,000	6,40,000
2	Other Non-Executive Directors			
	Fee for attending board / committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	3,20,000	3,20,000	6,40,000
	Total Managerial Remuneration			NA
	Overall Ceiling as per the Act			NA

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (₹)
		CS (Manjinder Singh) till 11.12.2017	CFO (Vijay Sardesai) Till 08.11.2017	CFO (Mr. Brijmohan Mantri) from 08.11.2017	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,63,033	16,91,052	9,62,002	37,16,087
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	53,638	3,82,366	-	436,004
	(c) Profits in lieu of salary under section 7(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Employers contribution towards PF	42,701	42,995	41,358	1,27,054
	Total	11,59,372	21,16,413	10,03,360	42,79,145

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 SOUTH WEST PORT LIMITED

Report on the Standalone Ind-AS Financial Statements

We have audited the accompanying standalone financial statements of South West 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 then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in 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, included 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 34 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

Place: Mumbai

M. No.158148

Date: May 04, 2018

Annexure A

to the Independent Auditors' Report

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- (b) The Company has a program of verification 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 Statute	Nature of Dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax liability	8.23	A.Y. 2015-16	Rectification application filed to ITO
		1.95	A.Y. 2014-15	Rectification application filed to ITO

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

(ix) 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 whole time director of the Company is holding place of profit in the Holding Company and remuneration is paid to him by the Holding Company. However, the Company has not paid/provided for any managerial remuneration during the year in accordance with the provisions of section 197 read with Schedule V of the Act. Accordingly, the provision of clause 3(xi) of the Order is not applicable to the Company.

(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

Place: Mumbai

M. No.158148

Date: May 04, 2018

Annexure B

to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of South West 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 South West 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

Place: Mumbai

Date: May 04, 2018

M. No.158148

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	69.78	82.37
Other Intangible Assets	3	36,616.59	36,620.37
Intangible Assets under Development	4	961.11	530.88
Financial Assets			
Investments	5	2,013.44	0.52
Others financial assets	6	4.21	3.68
Other Non Current Assets	7	97.02	84.51
Total Non-Current Assets		39,762.14	37,322.33
Current Assets			
Inventories	8	935.45	705.26
Financial Assets			
Investments	9	777.99	6,417.99
Trade receivables	10	6,712.22	8,601.85
Cash and cash equivalents	11	861.36	887.29
Bank balances other than cash and cash equivalents	12	349.20	327.20
Loans	13	15,233.78	11,370.45
Others financial assets	14	2,444.04	771.72
Current Tax Assets (Net)	15	-	1,310.90
Other Current Assets	16	7,326.82	6,980.76
Total Current Assets		34,640.86	37,373.42
TOTAL ASSETS		74,403.00	74,695.75
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	4,620.00	4,620.00
Other Equity	18	55,191.61	50,534.77
Total Equity		59,811.61	55,154.77
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Other financial liabilities	19	62.49	39.77
Provisions	20	99.50	112.20
Deferred Tax Liabilities (Net)	15	3,517.10	3,543.84
Other Non Current Liabilities	21	2,530.63	-
Total Non-Current Liabilities		6,209.72	3,695.81
Current Liabilities			
Financial Liabilities			
Borrowings	22	1,131.77	8,532.87
Trade payables	23	3,860.60	3,418.94
Other financial liabilities	24	2,822.46	3,674.15
Other Current Liabilities	25	391.51	182.98
Provisions	26	35.69	36.23
Current Tax Liabilities (Net)	15	139.64	-
Total Current Liabilities		8,381.67	15,845.17
TOTAL EQUITY AND LIABILITIES		74,403.00	74,695.75

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 Accountant

Firm Registration No: 137533W

For and on behalf of the Board of Directors

K N Patel

Director

DIN : 00019414

Naveen Kumar

Whole-time Director

DIN : 07099121

Hitesh R Khandhadia

Partner

Membership No. 158148

Gazal Qureshi

Company Secretary

M. No. A16843

Brijmohan Mantri

Chief Financial Officer

Place: Mumbai

Date: 04th May 2018

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	27	27,892.93	30,215.30
Other Income	28	3,564.87	1,858.51
Total Income (1)		31,457.80	32,073.81
EXPENSES			
Operating expenses	29	17,636.80	18,191.20
Employee benefits expense	30	1,106.87	1,792.41
Finance costs	31	279.60	239.73
Depreciation and amortisation expense	32	3,785.76	3,182.33
Other expenses	33	1,075.57	855.22
Total Expenses (2)		23,884.60	24,260.89
Profit Before Tax (1-2)		7,573.20	7,812.92
Tax Expense			
Current tax	15	2,698.95	503.22
Deferred tax	15	(29.73)	928.18
Profit for the year (3)		4,903.98	6,381.52
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of Employee benefits expenses		8.57	0.45
Income tax relating to items that will not be reclassified to profit or loss		(2.99)	(0.15)
Total Other Comprehensive Income for the year (4)		5.57	0.30
Total Comprehensive Income for the year (3+4)		4,909.56	6,381.82
Earnings per equity share (₹)			
(Face value of equity share of Rs. 10 each)			
Basic (₹)	52	10.61	13.81
Diluted (₹)	52	10.61	13.81
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 Accountant
Firm Registration No: 137533W

For and on behalf of the Board of Directors

K N Patel
Director
DIN : 00019414

Naveen Kumar
Whole-time Director
DIN : 07099121

Hitesh R Khandhadia

Partner
Membership No. 158148

Gazal Qureshi
Company Secretary
M. No. A16843

Brijmohan Mantri
Chief Financial Officer

Place: Mumbai

Date: 04th May 2018

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
4,620.00	-	4,620.00
Balance as at 1st April, 2016	Movement during the year	Balance as at 31st March, 2017
4,620.00	-	4,620.00

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 01st April, 2017	49,155.26	1,381.79	(2.28)	50,534.77
Profit for the year	4,903.98	-	-	4,903.98
Remeasurements gains on defined benefit plans	-	-	5.57	5.57
Additions / Transfer during the year	588.82	(841.52)	-	(252.70)
Balance as at 31st March 2018	54,648.06	540.27	3.29	55,191.61

₹ in Lakhs

Particulars	Retained Earnings	ESOP compensation reserve	Other comprehensive income / (loss)	Total equity attributable to equity holders of the Company
Balance as at 01st April, 2016	42,773.75	934.22	(2.58)	43,705.39
Profit for the year	6,381.51	-	-	6,381.51
Remeasurements gains on defined benefit plans	-	-	0.30	0.30
Additions / Transfer during the year	-	447.57	-	447.57
Balance as at 31st March, 2017	49,155.26	1,381.79	(2.28)	50,534.77

As per our attached report of even date

For HPVS & Associates

Chartered Accountant

Firm Registration No: 137533W

For and on behalf of the Board of Directors

K N Patel

Director

DIN : 00019414

Naveen Kumar

Whole-time Director

DIN : 07099121

Hitesh R Khandhadia

Partner

Membership No. 158148

Gazal Qureshi

Company Secretary

M. No. A16843

Brijmohan Mantri

Chief Financial Officer

Place: Mumbai

Date: 04th May 2018

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	7,573.20	7,812.92
Adjustments for:		
Depreciation and amortisation expense	3,785.76	3,182.33
Allowance for doubtful debts and advances	-	0.98
Finance costs	279.60	239.73
Share based payment expenses	(138.45)	447.57
Interest income	(1,399.18)	(761.63)
Corp Guarantee Income	(40.20)	(48.53)
EPCG Obligation	(238.86)	-
Profit on sale of investments (net)	(557.39)	(391.31)
Impact of fair valuation of Mutual Fund	(2.71)	(88.50)
(Profit)/ loss on sale of fixed assets (net)	(0.55)	(0.45)
Operating profit before working capital changes	9,261.22	10,393.11
Adjustments for:		
(Increase)/ Decrease in trade and other receivables	(4,137.07)	(6,860.53)
(Increase)/ Decrease in inventories	(230.19)	(103.26)
Increase/ (Decrease) in trade and other payables	2,527.71	4,270.23
Increase/ (Decrease) in provisions	108.77	726.99
Cash generated from operating activities	7,530.44	8,426.54
Direct taxes paid	(1,040.00)	(1,200.00)
Net cash generated from operating activities [A]	6,490.44	7,226.54
[B] CASH FLOW FROM INVESTING ACTIVITIES		
Inflows		
Sale of property, plant and equipment	0.55	0.45
Sale of current investments	43,853.84	40,020.89
Interest received	1,149.51	330.67
Outflows		
Purchase of property, plant and equipment and intangible assets	4,298.45	13,441.37
Purchase of investments (net)	37,653.75	42,849.50
Investment in FD	22.00	22.27
Investment in associate companies	1,950.00	0.26
Net Cash used in investing activities [B]	43,924.20	56,313.40
[C] CASH FLOW FROM FINANCING ACTIVITIES		
Inflows		
Proceeds from short-term borrowings	1,101.62	8,532.86
Outflows		
Repayments of short-term borrowings	8,502.73	-
Interest paid	194.97	239.73
Net Cash generated from financing activities [C]	8,697.70	239.73
NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES (A+B+C)	(7,596.08)	8,293.13
Cash and cash equivalents at beginning of the year	(25.93)	(441.72)
Cash and cash equivalents at end of the year	887.29	1,329.01
	861.36	887.29

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	0.89	2.76
Balances with banks:		
In current accounts	56.36	884.53
Fixed deposits with banks with maturity less than 3 months	804.11	-
Cash and cash equivalents in Statement of Cash Flow	861.37	887.29

(c) **Amendment to IND AS 7**

The amendments to IND AS 7 cashflow 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	As at 31st March, 2018
Short-term borrowings	8,532.87	(7,401.10)	1,131.77
Total liabilities from financing activities	8,532.87	(7,401.10)	1,131.77

As per our attached report of even date

For HPVS & Associates

Chartered Accountant

Firm Registration No: 137533W

For and on behalf of the Board of Directors

K N Patel

Director

DIN : 00019414

Naveen Kumar

Whole-time Director

DIN : 07099121

Hitesh R Khandhadia

Partner

Membership No. 158148

Gazal Qureshi

Company Secretary

M. No. A16843

Brijmohan Mantri

Chief Financial Officer

Place: Mumbai

Date: 04th May 2018

Notes to the Financial Statements

for the year ended 31st March, 2018

COMPANY OVERVIEW

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

The Company is engaged in developing and operating mechanized modern ports 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
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.

Port concession rights arising from Service Concession/Sub-Concession

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

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

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

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

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

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 is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

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 act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the 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:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- 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 reclassified 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 reclassified 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 points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

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

b) Financial liabilities & Equity Instruments

Equity Instruments

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

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

Financial liabilities

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

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

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

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company

reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
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 financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

As per our attached report of even date

For HPVS & Associates

Chartered Accountant

Firm Registration No: 137533W

For and on behalf of the Board of Directors

K N Patel

Director

DIN : 00019414

Naveen Kumar

Whole-time Director

DIN : 07099121

Hitesh R Khandhadia

Partner

Membership No. 158148

Gazal Qureshi

Company Secretary

M. No. A16843

Brijmohan Mantri

Chief Financial Officer

Place: Mumbai

Date: 04th May 2018

NOTE 2:- PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

Particulars	Freehold Land	Office	Computers equipments	Vehicles	Total
Cost:					
As at 1st April, 2016	14.02	42.05	14.45	4.08	74.60
Additions	-	19.98	-	41.41	61.39
Disposals/transfers	-	1.25	-	16.85	18.10
<i>Less: translation adjustments</i>	-	-	-	-	-
As at 31st March, 2017	14.02	60.78	14.45	28.64	117.89
Additions	-	3.00	1.95	-	4.95
Disposals/transfers	-	-	-	-	-
<i>Less: translation adjustments</i>	-	-	-	-	-
As at 31st March, 2018	14.02	63.78	16.40	28.64	122.84
Accumulated Depreciation:					
As at 1st April, 2016	-	8.22	11.07	0.52	19.81
Depreciation charge for the year	-	12.41	1.75	2.71	16.87
Disposals/transfers	-	0.96	-	0.20	1.16
<i>Less: translation adjustments</i>	-	-	-	-	-
As at 31st March, 2017	-	19.67	12.82	3.03	35.52
Depreciation charge for the year	-	12.44	1.53	3.57	17.54
Disposals/transfers	-	-	-	-	-
<i>Less: translation adjustments</i>	-	-	-	-	-
As at 31st March, 2018	-	32.11	14.35	6.60	53.06
Net book value					
As at 1st April, 2016	14.02	33.83	3.38	3.56	54.79
As at 31st March, 2017	14.02	41.11	1.63	25.61	82.37
As at 31st March, 2018	14.02	31.67	2.05	22.04	69.78

NOTE 3:- OTHER INTANGIBLE ASSETS

₹ in Lakhs

Particulars	Port infra structure rights (Refer Note 1.2.4)			Computer Software	Total
	Buildings	Plant and machinery	Furniture and fittings		
Cost:					
As at 1st April, 2016	13,811.94	14,675.19	29.34	81.07	28,597.54
Additions	39.50	13,526.32	3.88	10.39	13,580.09
Disposals /transfers	-	-	0.32	0.04	0.36
<i>Add/Less: translation adjustments</i>	-	-	-	-	-
As at 31st March, 2017	13,851.44	28,201.51	32.90	91.42	42,177.27
Additions	-	3,761.15	2.67	0.63	3,764.45
Disposals /transfers	-	-	-	-	-
<i>Impairment of goodwill</i>	-	-	-	-	-
Impairment of Intangible asset under development					
<i>Add/Less: translation adjustments</i>	-	-	-	-	-
As at 31st March, 2018	13,851.44	31,962.66	35.57	92.05	45,941.72
Accumulated amortisation:					
As at 1st April, 2016	968.32	1,368.48	4.39	50.24	2,391.43
Amortisation charge for the year	986.88	2,153.57	4.36	20.93	3,165.74
Disposals /transfers	-	-	0.23	0.04	0.27
<i>Add/Less: translation adjustments</i>	-	-	-	-	-
As at 31st March, 2017	1,955.20	3,522.05	8.52	71.13	5,556.90
Amortisation charge for the year	986.06	2,762.96	4.02	15.19	3,768.23
Disposals /transfers	-	-	-	-	-
As at 31st March, 2018	2,941.26	6,285.01	12.54	86.32	9,325.13
Net book value:					
As at 1st April, 2016	12,843.62	13,306.71	24.95	30.83	26,206.11
As at 31st March, 2017	11,896.24	24,679.46	24.38	20.29	36,620.37
As at 31st March, 2018	10,910.18	25,677.65	23.03	5.73	36,616.59

* Refer note 22 for the details in respect of certain intangible assets hypothecated/ mortgaged as security for borrowings.

NOTE 4:- INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Lakhs

Particulars	Total
Cost:	
As at 1st April, 2016	713.67
Additions	218.90
Disposals /transfers	401.69
<i>Add/Less: translation adjustments</i>	-
As at 31st March, 2017	530.88
Additions	4,293.49
Disposals /transfers	3,863.26
Impairment of goodwill	-
Impairment of Intangible asset under development	-
<i>Add/Less: translation adjustments</i>	-
As at 31st March, 2018	961.11
Accumulated amortisation:	
As at 1st April, 2016	-
Amortisation charge for the year	-
Disposals /transfers	-
<i>Add/Less: translation adjustments</i>	-
As at 31st March, 2017	-
Amortisation charge for the year	-
Disposals /transfers	-
As at 31st March, 2018	-
Net book value:	
As at 1st April, 2016	713.67
As at 31st March, 2017	530.88
As at 31st March, 2018	961.11

NOTE 5:- NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	As at 31st March, 2018	As at 31st March, 2017
Investment in Equity Instruments		
Unquoted		
Associates (At cost or deemed cost)		
JSW Paradip Terminal Private Limited	650.26	0.26
65,02,600 Equity shares of Rs. 10/- each (PY 2600 Equity shares of Rs. 10/- each)		
Paradip East Quay Coal Terminal Private Limited	1,300.26	0.26
1,30,02,600 Equity shares of Rs. 10/- each (PY 2600 Equity shares of Rs. 10/- each)		
Corporate Guarantee Issued on behalf of JSW Paradip Terminal Private Limited	62.92	-
	2,013.44	0.52
Aggregate amount of carrying value of unquoted investments	2,013.44	0.52
Aggregate amount of impairment in value of investments	-	-

NOTE 6:- NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good		
Security Deposits	4.21	3.68
	4.21	3.68

NOTE 7:- NON-CURRENT ASSETS - OTHERS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good		
Capital Advances	4.48	-
Security Deposits	92.54	84.51
	97.02	84.51

NOTE 8:- INVENTORIES

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Inventories (At lower of cost or net realisable value)		
Stores, spares and packing materials	935.45	705.26

Cost of inventory recognised as an expense for the year ended 31st March 2018 ₹672.93 lakhs (PY ₹ 617.27 lakhs)

NOTE 9:- CURRENT FINANCIAL ASSETS - INVESTMENTS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Investment measured at fair value through profit and loss		
In mutual funds (Quoted)	777.99	6,417.99
Aggregate amount of Quoted investments		
Book Value	775.28	6,289.91
Market value	777.99	6,417.99

NOTE 10:- TRADE RECEIVABLES

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
a) Secured, considered good	-	-
b) Unsecured, considered good	6,712.22	8,601.85
c) Unsecured, considered doubtful	1.81	1.81
	6,714.03	8,603.66
Less: Allowance for unsecured doubtful debts	1.81	1.81
	6,712.22	8,601.85

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

Ageing of receivables that are past due

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Within the credit period	2,632.74	3,565.69
31-60 days	1,622.00	4,338.58
61-90 days	585.34	136.88
91-180 days	1,827.45	70.37
181-365 days	44.68	490.32
	6,712.21	8,601.84

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

NOTE 11:- CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balances with banks:		
In current accounts	56.36	884.53
In term deposits with maturity less than 3 months at inception	804.11	-
Cash on hand	0.89	2.76
	861.36	887.29

NOTE 12:- BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
In term deposits with maturity more than 3 months but less than 12 months at inception	349.20	327.20
	349.20	327.20

NOTE 13:- CURRENT FINANCIAL ASSETS - LOANS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good		
Loans to related parties (Refer note 42)*	12,732.78	8,868.98
Loans to others	2,500.00	2,500.00
Advances to employees	1.00	1.47
	15,233.78	11,370.45

*for business purpose

NOTE 14:- CURRENT FINANCIAL ASSETS - OTHERS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good		
Security deposit	10.29	55.92
Interest receivable	1,047.20	404.00
Other receivables		
From related parties (Refer note 42)	560.01	-
From others	826.54	311.80
	2,444.04	771.72

NOTE 15:- 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	2,698.95	2,173.90
Tax (credit) under Minimum Alternative Tax	-	(1,670.68)
Current Tax (a)	2,698.95	503.22
Deferred Tax (b)	(29.73)	928.18
Total Expenses reported in the statement of profit and Loss (a+b)	2,669.22	1,431.40

Income Tax expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Reconciliation		
Profit before tax	7,573.20	7,812.92
Enacted tax rate in India	34.608%	34.608%
Expected income tax expense at statutory tax rate	2,620.93	2,703.90
Expenses not deductible in determining taxable profit	93.88	76.52
Tax allowances and concession	(18.07)	(2,438.57)
Other temporary differences	(27.51)	1,089.56
Tax expense for the year	2,669.23	1,431.40
Effective income tax rate	35.25%	18.32%
MAT Credit		
Book Profit	7,573.20	7,812.92
Adjustment due to Ind AS	1,240.59	1,240.59
MAT Rate	21.3416%	21.3416%
MAT Liability (115JB)	2,698.95	2,173.90
MAT Credit entitlement	-	(1,670.68)
Current tax	2,698.95	503.22

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 34).

Deferred tax relates to the following:

₹ in Lakhs

Particulars	Balance Sheet		Recognised in statement of profit or loss		Recognised in / reclassified from other comprehensive income	
	As at 31st March 2018	As at 31st March 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st 2018	For the year ended 31st 2017
Expenses allowable on payment basis	57.87	68.48	(10.60)	34.24	-	-
Other items giving rise to temporary differences		6,533.59	(6,533.59)	4,469.15	-	-
Accelerated depreciation for tax purposes	(10,074.49)	(866.85)	(9,207.65)	(376.58)	-	-
Fair valuation of property, plant and equipment (PP&E)	(2.71)	(15,975.01)	15,972.30	(6,809.23)	-	-
Provisions for employee benefit	(3.14)	(0.15)	-	-	(2.99)	(0.15)
Deferred tax asset / (liability)	(3,502.24)	(3,543.84)	29.73	(928.18)	-	-
Net (income)/expense			29.73	(928.18)	(2.99)	(0.15)

Reconciliation of deferred tax assets / (liabilities) net:

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance as of 1st April 2017	(3,543.84)	(2,615.50)
Tax income / (expense) during the period recognised in profit or loss	29.73	(928.18)
Income tax relating to items that will not be reclassified to profit or loss from OCI	(2.99)	(0.15)
Closing balance	(3,517.10)	(3,543.84)

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	7,630.39	5,959.71
Add: MAT credit entitlement availed during the year	-	1,670.68
Less: MAT credit utilised during the year	(826.67)	-
Balance at the end of the year	6,803.72	7,630.39

NOTE 16:- OTHER CURRENT ASSETS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, considered goods		
Advance to suppliers	41.10	169.67
Prepaid expenses	161.70	101.59
Balance with Government Authorities	6998.04	6646.68
Indirect tax balances / receivables / credit	125.98	62.82
	7,326.82	6,980.76

NOTE 17 :- SHARE CAPITAL

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Authorised:		
4,70,00,000 Equity Shares of Rs.10 each	4,700.00	4,700.00
2,00,00,000 Preference Shares of Rs.10 each	2,000.00	2,000.00
	6,700.00	6,700.00
Issued, Subscribed and Paid-up:		
4,62,00,000 Equity Shares of Rs 10 each, fully paid up	4,620.00	4,620.00
	4,620.00	4,620.00

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

₹ in Lakhs

Issued subscribers and paid up share capital	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	46,200,000	4,620.00	46,200,000	4,620.00
Add: shares issued during the year	-	-	-	-
Balance at the end of the year	46,200,000	4,620.00	46,200,000	4,620.00

(b) Terms / rights attached to equity shares :

The Company has one class of share capital, i.e., equity shares having face value of 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 of shares held by holding companies and fellow subsidiaries ₹ in Lakhs

Name of the Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	Amount	No. of Shares	Amount
1. ABG Infraclogistics Limited along with its nominee shareholders	4,620,000	462.00	12,012,000	1,201.20
2. Dhamankhol Fintrade Private Limited	8,420,000	842.00	8,420,000	842.00
3. JSW Jaigarh Infrastructure Development Private Limited	11,000,000	1,100.00	11,000,000	1,100.00
4. Nalwa Fintrade Private Limited along with its nominee shareholders	4,524,938	452.49	4,524,938	452.49
5. Vanity Fintrade Private Limited	10,243,062	1,024.31	10,243,062	1,024.31
6. Tranquil Homes And Holdings Private Limited	2,874,257	287.42	-	-
7. Dhaman Khol Engineering & Construction Private Limited	2,258,872	225.89	-	-
8. Nalwa Chrome Private Limited	2,258,871	225.89	-	-
Total	46,200,000	4,620.00	46,200,000	4,620.00

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

Name of the Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	% holding in the class	No. of Shares	% holding in the class
1. ABG Infraclogistics Limited along with its nominee shareholders	4,620,000	10.00	12,012,000	26.00
2. Dhamankhol Fintrade Private Limited	8,420,000	18.23	8,420,000	18.23
3. JSW Jaigarh Infrastructure Development Private Limited	11,000,000	23.81	11,000,000	23.81
4. Nalwa Fintrade Private Limited along with its nominee shareholders	4,524,938	9.79	4,524,938	9.79
5. Vanity Fintrade Private Limited	10,243,062	22.17	10,243,062	22.17
6. Tranquil Homes And Holdings Private Limited	2,874,257	6.22	-	-
Total	41,682,257	90.22	46,200,000	100.00

NOTE 18:-OTHER EQUITY

₹ in Lakhs

Particulars	Retained Earnings	ESOP Compensation Reserves	Other comprehensive income / (loss)	Total equity attributable to equity holders of the Company
Balance as at 01st April, 2017	49,155.26	1,381.79	(2.28)	50,534.77
Profit for the year	4,903.98	-	-	4,903.98
Other comprehensive income for the year				
Remeasurements gains on defined benefit plans	-	-	5.57	5.57
Additions / Transfer during the year	588.82	(841.52)	-	(252.70)
Balance as at 31st March 2018	54,648.06	540.27	3.29	55,191.61

₹ in Lakhs

Particulars	Retained Earnings	ESOP Compensation Reserves	Other comprehensive income / (loss)	Total equity attributable to equity holders of the Company
Balance as at 01st April, 2016	42,773.75	934.22	(2.58)	43,705.39
Profit for the year	6,381.51	-	-	6,381.51
Other comprehensive income for the year				
Remeasurements gains on defined benefit plans	-	-	0.30	0.30
Additions / Transfer during the year	-	447.57	-	447.57
Balance as at 31st March, 2017	49,155.26	1,381.79	(2.28)	50,534.77

NOTE 19:- NON-CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Corporate Guarantee	62.49	39.77
	62.49	39.77

NOTE 20:- NON-CURRENT PROVISIONS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits		
Provision for Gratuity (Refer Note No 43)	14.54	24.02
Provision for Leave encashment	84.96	88.18
	99.50	112.20

NOTE 21:- NON-CURRENT LIABILITIES-OTHERS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Export obligation deferred income	2,530.63	-
	2,530.63	-

NOTE 22:- CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Secured loans		
Buyer's Credit (Company has availed Buyers Credit Facility from Axis Bank amounting to USD 17,40,000 at Interest rate of 1.9882% against hypothecation of movable fixed of the company which is repayable on demand)	1,131.77	8,532.87
	1,131.77	8,532.87

NOTE 23:- 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 (Refer Note No 23.1)	2.59	13.87
Due to others	3,858.01	3,405.07
	3,860.60	3,418.94

NOTE 23.1:- DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES**AS DEFINED UNDER THE MSMED ACT, 2006**

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal Amount due to micro, small and medium enterprises	2.59	13.87
Interest due on above	-	-
	2.59	13.87

NOTE: 24:- CURRENT-OTHER FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Payables for capital projects	613.03	2,008.27
Interest accrued but not due on borrowing	21.31	1.53
Security deposit	66.73	61.97
Employee dues	160.26	166.46
Other payables	1,961.13	1,435.92
	2,822.46	3,674.15

NOTE 25:- OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Advances from customers	33.07	78.94
Export obligation deferred income	238.86	-
Statutory liabilities	119.58	104.04
	391.51	182.98

NOTE 26:- SHORT-TERM PROVISIONS

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provision for Gratuity (Refer Note No 43)	27.97	28.48
Provision for Leave encashment (Refer Note No 43)	7.72	7.75
	35.69	36.23

NOTE 27:- REVENUE FROM OPERATIONS

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Cargo handling income	18,544.11	18,381.32
Berth hire income	7,819.55	11,167.66
Storage income	1,219.76	577.57
Other port service income	309.51	88.75
	27,892.93	30,215.30

NOTE 28:- OTHER INCOME

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest income	1,399.18	761.63
Gain on sale of investments (Net)	557.39	391.31
Fair Valuation of Mutual Fund	2.71	88.50
Exchange gain (Net)	347.81	214.38
Sale of Scrap	152.66	182.35
Profit on sale of Fixed Assets	0.55	0.45
Gain on fair valuation of guarantee	40.20	48.53
SEIS Income	824.68	-
Export obligation deferred income amortisation	238.86	-
Miscellaneous income	0.83	171.36
	3,564.87	1,858.51

NOTE 29:- OPERATING EXPENSES

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Cargo handling expenses	11,408.33	12,125.64
Fuel Expenses	326.77	286.57
Repair & Maintenance - Plant & Machinery	252.87	114.12
Repair & Maintenance - Building	40.17	78.29
Repair & Maintenance - Others	35.03	26.69
Power	741.19	923.50
Stores & Spares consumed	672.93	617.27
Royalty to Mormugao Port Trust	3,554.06	3,415.98
Licence fee to Mormugao Port Trust	605.45	603.14
	17,636.80	18,191.20

NOTE 30:-EMPLOYEE BENEFITS EXPENSE

₹ in Lakhs

Particulars	For the year ended	For the year ended
	31st March, 2018	31st March, 2017
Salaries, Wages and bonus	1,115.06	1,219.75
Contributions to provident funds and other funds	57.36	51.63
Gratuity expense (Refer Note No 43)	17.92	16.83
ESOP expenses (Refer Note No 44)	(138.45)	447.57
Staff welfare expenses	54.98	56.63
	1,106.88	1,792.41

NOTE 31:- FINANCE COSTS

₹ in Lakhs

Particulars	For the year ended	For the year ended
	31st March, 2018	31st March, 2017
Interest on Buyer's Credit	182.39	128.67
Foreign Exchange Loss on Buyers Credit	40.98	-
Other finance costs	56.23	111.06
	279.60	239.73

NOTE 32:- DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakhs

Particulars	For the year ended	For the year ended
	31st March, 2018	31st March, 2017
Depreciation on Tangible Assets	116.35	16.59
Amortisation on Intangible Assets	3,669.41	3,165.74
	3,785.76	3,182.33

NOTE 33- OTHER EXPENSES

₹ in Lakhs

Particulars	For the year ended	For the year ended
	31st March, 2018	31st March, 2017
Rates & taxes	11.35	12.87
Rent	41.19	18.04
Insurance	117.54	144.42
Legal, professional & consultancy charges	209.52	34.99
Vehicle hiring & maintenance	30.19	29.90
Security charges	84.74	53.32
CSR expenses (Refer Note No 40)	138.00	134.06
Directors sitting fees	7.60	4.00
Remuneration to auditors (Refer Note No 35)	8.56	14.60
Loss on Sale of Fixed Assets	-	4.26
Business Support Services	205.17	104.28
General office expenses and overheads	221.71	300.48
	1,075.57	855.22

Note 34:- CONTINGENT LIABILITIES AND COMMITMENTS**A. Contingent Liabilities: (to be extent not provided for)**

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Bank guarantee given to:		
Bank on behalf of group company	5,302.00	10,126.00
Customs for bonded storage facility	400.00	400.00
Paradip Port Trust	605.00	605.00
Electricity Dept Goa	975.00	975.00
Demand raised by Mormugao Port Trust towards capital dredging of an approach channel at Berth No. 5A & 6A	846.20	846.20
Disputed income tax liability in respect of Assessment Year 2011-12	46.30	46.30
Disputed Income tax liability in respect of Assessment Year 2012-13	8.52	8.52
Disputed income tax liability in respect of Assessment Year 2014-15	1.95	1.95
Disputed income tax liability in respect of Assessment Year 2015-16	8.23	8.23
	8,193.20	13,017.20

B. Commitments: (net of advances)

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	165.02	766.12
Other commitments		
The company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of zero or concessional custom duty rate. These benefits are subject to future exports. Such export obligations at year end aggregate to	2,769.49	-

Note 35:- PAYMENT TO AUDITORS (exclusive of service tax /GST)

₹ in Lakhs

Nature of transaction/relationship	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Statutory Audit fees	8.50	8.50
Tax Audit fees	-	1.10
Out of pocket expenses	0.06	0.30
Others	-	4.70
	8.56	14.60

NOTE 36-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, 2017	
	% of total consumptions	Value	% of total consumptions	Value the class
Spare parts				
Imported	0.03	0.29	0.33	3.31
Indigenous	99.97	1,042.83	99.67	999.94
	100.00	1,043.12	100.00	1,003.25

NOTE 37-VALUE OF IMPORTS CALCULATED ON CIF BASIS

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Components and spare parts	-	-
Capital goods	218.10	11,711.72
	218.10	11,711.72

NOTE 38: EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Professional and Technical Services	29.51	-
Capital goods	218.10	11,711.72
	247.61	11,711.72

NOTE 39: EARNINGS IN FOREIGN CURRENCY

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Berth hire income (including service tax/GST)	5,747.22	12,834.64
	5,747.22	12,834.64

NOTE 40: CORPORATE SOCIAL RESPONSIBILITY (CSR)

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Amount required to be spent as per Section 135 of the Act	138.00	134.06
Amount spent during the year on :		
(i) Construction / acquisition of an asset	-	-
(ii) On purchase other than (i) above	138.00	134.06
	138.00	134.06

NOTE 41: 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 42:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES

List of Related Parties

Name of the Related Party	Nature of Relation
JSW Infrastructure Limited	Ultimate Holding Company
JSW Jaigarh Port Limited	Fellow Subsidiary Company
Dharmatar Port Private Limited	Fellow Subsidiary Company
JSW IP Holdings Private Limited	Other related party
JSW Steel Limited	Other related party
Jsw Steel Coated Products Limited	Other related party
JSW Energy Limited	Other related party
J Soft Solution Limited	Other related party
JSW Paradip Terminal Private Limited	Associate
Paradip East Quay Coal Terminal Private Limited	Associate
Lalit Chandanmal Singhvi till November 08, 2017	Whole Time Director
Kantilal Narandas Patel	Non Executive Director
Naveen Kumar from November 08, 2017	Whole Time Director
Ameeta Sonjoy	Independent Director
Gerard Earnest Paul Da Cunha	Independent Director
Manjinder Singh till December 12, 2017	Company Secretary
Gazal Qureshi from May 04, 2018	Company Secretary
Vijay Sardesai till November 08, 2017	Chief Financial Officer
Brijmohan Mantri from November 08, 2017	Chief Financial Officer

Key Management Personnel:	Designation
Lalit Chandanmal Singhvi till November 08, 2017	Whole Time Director
Naveen Kumar from November 08, 2017	Non Executive Director
Manjinder Singh till December 12, 2017	Company Secretary
Gazal Qureshi from May 04, 2018	Company Secretary
Vijay Sardesai till November 08, 2017	Chief Financial Officer
Brijmohan Mantri from November 08, 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	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Purchase of services		
Other Related Parties		
JSW Infrastructure Ltd	11,378.47	12,010.94
JSW IP Holdings Pvt Ltd	34.78	40.73
Total	11,413.25	12,051.67
Sales of services		
JSW Steel Ltd	18,275.66	18,734.03
Jsw Steel Coated Products Limited	6.11	-
JSW Energy Limited	1,482.26	1,680.37
JSW Jaigarh Port Ltd	2,804.56	959.27
Total	22,568.59	21,373.67
Rent Received		
JSW Jaigarh Port Limited	300.00	75.00
Total	300.00	75.00
Interest Income on ICD		
Other Related Party		
JSW Jaigarh Port Limited	537.37	594.00
JSW Dharamtar Port Pvt. Ltd.	48.35	78.63
JSW Paradip Terminal Pvt. Ltd	231.89	14.28
Paradip East Quay Coal Terminal Private Limited	119.13	2.43
Total	936.74	689.34
Other Income		
JSW Paradip Terminal Private Limited	0.43	-
Total	0.43	-
Reimbursement of Expenses incurred on our behalf		
JSW Infrastructure Ltd	284.19	113.26
JSW Jaigarh Port Limited	12.66	173.68
Total	296.85	286.94
Reimbursement of Expenses incurred on other's behalf		
JSW Paradip Terminal Pvt. Ltd	33.28	-
Total	33.28	-
Payment of salaries, commission and perquisites *		
Key Management Personnel		
Lalit Chandanmal Singhvi till November 08, 2017	Paid by Holding Co	Paid by Holding Co
Naveen Kumar from November 08, 2017	Paid by Holding Co	Paid by Holding Co
Manjinder Singh till December 12, 2017	11.17	13.25
Vijay Sardesai till November 08, 2017	20.73	26.25
Brijmohan Mantri from November 08, 2017	9.62	-
	41.52	39.50

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

Amount due to / from related parties		₹ in Lakhs	
Nature of transaction/relationship		As at 31st March, 2018	As at 31st March, 2017
Accounts Payable			
Other Related Parties			
JSW Infrastructure Ltd		3,551.84	2,538.87
		3,551.84	2,538.87
Accounts Receivable			
JSW Steel Ltd		3,745.61	6,596.88
Jsw Steel Coated Products Limited		7.20	-
JSW Energy Ltd		124.01	470.32
JSW Jaigarh Port Limited		2,324.09	910.74
		6,200.92	7,977.94
Amount due to / from related parties			
Loans and advances receivables Other Related Party			
JSW Jaigarh Port Limited		5,500.00	5,500.00
JSW Dharamtar Port Pvt. Ltd.		-	800.00
JSW Paradip Terminal Pvt. Ltd		3,532.00	1,270.00
Paradip East Quay Coal Terminal Private Limited		3,221.80	820.00
South West Port Employees Welfare Trust		375.58	375.58
JSW Infrastructure Employees Welfare Trust		103.40	103.40
		12,732.78	8,868.98
Interest Receivable from Related Party			
JSW Jaigarh Port Limited		570.05	86.41
JSW Dharamtar Port Pvt. Ltd.		-	70.77
JSW Paradip Terminal Pvt. Ltd		221.55	12.85
Paradip East Quay Coal Terminal Private Limited		30.61	2.18
		822.20	172.22

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.

* The above figures do not include provision for gratuity and leave encashment as the same is not determined.

NOTE 43:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS

(a) Defined contribution plans:	₹ in Lakhs	
Particulars	As at 31st March, 2018	As at 31st March, 2017
Benefits (Contribution to):		
Provident fund	42.51	46.05
Superannuation fund	-	25.41
Employee state insurance scheme	0.05	0.08
	42.56	71.54

(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 Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk:

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

Interest Risk:

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

Longevity risk:

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

Salary risk:

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

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

Particulars	Gratuity	
	For the year ended 31st March, 2018 (Funded)	For the year ended 31st March, 2017 (Funded)
Change in present value of defined benefit obligation during the year		
Present Value of Benefit Obligation at the Beginning of the Period	137.05	115.45
Interest cost	9.87	9.28
Current service cost	14.14	13.76
Benefit paid from the fund	(11.15)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(5.65)	8.68
Actuarial (Gains)/Losses on Obligations - Due to Experience	(3.53)	(10.12)
Present Value of Benefit Obligation at the End of the Period	140.73	137.05
Change in fair value of plan assets during the year		
Fair Value of Plan Assets at the Beginning of the Period	84.56	77.34
Interest Income	6.09	6.22
Contributions by the Employer	19.34	2.00
Benefit paid from the fund	(11.15)	-
Return on Plan Assets, Excluding Interest Income	(0.61)	(0.99)
Fair Value of Plan Assets at the End of the Period	98.23	84.56

Net asset / (liability) recognised in the balance sheet		
(Present Value of Benefit Obligation at the end of the Period)	(140.74)	(137.05)
Fair Value of Plan Assets at the end of the Period	98.23	84.56
Funded Status (Surplus/ (Deficit))	(42.51)	(52.49)
Net (Liability)/Asset Recognized in the Balance Sheet	(42.51)	(52.49)
Expenses recognised in the statement of profit and loss for the year		
Current service cost	14.14	13.76
Net Interest Cost	3.78	3.06
Past Service Cost	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Total expenses included in employee benefits expense	17.92	16.82
Recognised in other comprehensive income for the year		
Actuarial (Gains)/Losses on Obligation For the Period	(9.18)	(1.44)
Return on Plan Assets, Excluding Interest Income	0.61	0.99
Net (Income)/Expense For the Period Recognized in OCI	(8.57)	(0.45)
Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	3.82	3.60
Between 2 and 5 years	87.04	23.56
Between 6 and 10 years	40.08	109.15
11 years and above	142.69	135.66
Quantitative sensitivity analysis for significant assumption is as below:		
Projected Benefit Obligation on Current Assumptions	140.73	137.05
One percentage point increase in discount rate	(8.84)	(10.24)
One percentage point decrease in discount rate	10.01	11.60
One percentage point increase in rate of salary Increase	10.08	11.62
One percentage point decrease in rate of salary Increase	(9.05)	(10.44)
One percentage point increase in employee turnover rate	1.03	0.74
One percentage point decrease in employee turnover rate	(1.16)	(0.83)
Actuarial assumptions		
Expected Return on Plan Assets	7.78%	7.20%
Rate of Discounting	7.78%	7.20%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality rate during employment	2006-08	2006-08
Mortality post retirement rate	N.A.	N.A.
Other details		
No of Active Members	67.00	71.00

Experience adjustments:-

₹ in Lakhs

Particulars	Current Year	2016-17	2015-16	2014-15	2013-14
Defined Benefit Obligation	140.74	137.05	115.45	89.9	66.00
Plan Assets	98.23	84.56	77.34	69.70	67.90
Surplus / (Deficit)	(42.51)	(52.49)	(38.11)	(20.20)	1.90
Experience Adjustments on Plan Liabilities - Loss / (Gain)	3.53	10.12	10.12	16.20	(7.50)
Experience Adjustments on Plan Assets - Loss / (Gain)	0.61	0.99	0.99	1.60	0.80

The Company expects to contribute ₹27.92 lakhs (previous year ₹19.34 lakhs) to its gratuity plan for the next year

Compensated Absences

Assumptions used in accounting for compensated absences

Particulars	As at	
	31st March, 2018	31st March, 2017
Present Value of unfunded obligation (₹ in Lakhs)	92.69	95.93
Expense recognised in Statement of profit and loss (₹ in Lakhs)	4.51	16.98
Discount Rate (p.a)	0.08	0.07
Salary escalation rate (p.a)	0.06	0.06

Provident Fund

The Company makes contribution towards provident fund which is administered by the trustees. The Rules of the Company'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 Company making interest shortfall a defined benefit plan. Accordingly, the Company has obtained actuary valuation and based on the below provided assumption there is no deficiency as at the balance sheet date. Hence, the liability is restricted towards monthly contributions only.

NOTE 44:- EMPLOYEE STOCK OPTION PLAN (ESOP)

The board of directors 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:

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	5	4	4	5	5
Weighted average Exercise price on the date of grant	10	86	100	124	897	1,441
Weighted average fair value as on grant date	285.64	241.39	254.3	294.25	516.82	810.74

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	267,051	38,185	44,462	36,730	46,622	27,389
Option Vested	267,051	38,185	44,462	36,730	38,178	26,741
Options Exercised	169,058	25,184	31,887	-	-	-
Options lapsed	-	-	-	-	8,444	648
Transfer arising from transfer of employees within group companies	(66,667)	(8,415)	(6,606)	(29,269)	-	-
Options bought-out during the year	31,326	4,586	5,969	7,461	-	-
Total number of options outstanding	-	-	-	-	38,178	26,741

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 49,342 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	For the year ended
	31st March, 2018	31st March, 2017
Expense arising from equity settled share based payment transactions	(138.45)	447.57

For options granted on 13th June, 2016 and 16th May, 2017 and ESOP 2016 Scheme, the weighted average fair values have been determined using the Black Scholes Option Pricing Model considering the following parameters:

Particulars	ESOP Plan 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 (%)	0	0	0	0	0	0
Expected life of the option (years)	1 year	3 years	3 years	3 years	1 year	1 year
Expected dividends (%)	-	-	-	-	-	-
Risk-free interest rate (%)	0	0	0	0	0	0
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:

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
Oustanding as at 31st March 2016	58,895	4,586	5,969	36,730	-	-
Granted during the year	-	-	-	-	46,622	-
Forfeited during the year	-	-	-	-	7,482	-
Exercised during the year	-	-	-	-	-	-
Transfer arising from transfer of employees within group companies	-	-	-	-	-	-
Oustanding as at 31st March 2017	58,895	4,586	5,969	36,730	39,140	-
Granted during the year	-	-	-	-	-	27,389
Forfeited during the year	-	-	-	-	962	648
Exercised during the year	-	-	-	-	-	-
Transfer arising from transfer of employees within group companies	(27,569)	-	-	(29,269)	-	-
Bought-out during the year	31,326	4,586	5,969	7,461	-	-
Oustanding as at 31st March 2018	-	-	-	-	38,178	26,741

NOTE 45:- FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS**Capital Risk Management**

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

The Company 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
Short-term borrowings	1,131.77	8,532.87
Less: Cash and cash equivalent	861.36	887.29
Less: Bank balances other than cash and cash equivalents	349.20	327.20
Less: Current investments	777.99	6,417.99
Net debt	59,811.61	900.39
Total equity	59,811.61	55,154.77
Gearing ratio	-	0.02

- (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 (excluding derivatives and financial guarantee contracts), as described in notes 20.

Categories of financial instruments

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

₹ 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	6,712.22	8,601.84	6,712.22	8,601.84
Others financial assets (Non-current)	4.21	88.19	4.21	88.19
Loans (current)	15,233.78	11,370.45	15,233.78	11,370.45
Others financial assets (current)	2,444.04	771.72	2,444.04	771.72
Investments (Non-current)	2,013.44	0.52	2,013.44	0.52
Cash and bank balances	861.36	887.29	861.36	887.29
Bank deposit	349.20	327.20	349.20	327.20
	27,618.25	22,047.21	27,618.25	22,047.21
Financial assets at fair value through profit or loss: (Level 1)				
Investments	777.99	6,417.99	777.99	6,417.99
	777.99	6,417.99	777.99	6,417.99
Financial liabilities at amortised cost: (Level 3)				
Borrowings (current)	1,131.77	8,532.87	1,131.77	8,532.87
Trade and other payables	3,860.60	5,427.21	3,860.60	5,427.21
Other financial liabilities (current)	2,822.46	1,665.88	2,822.46	1,665.88
	7,814.83	15,625.96	7,814.83	15,625.96

Fair Value Hierarchy

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

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

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

NOTE 46:-FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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 management:

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

Foreign currency exposure	USD In Lakhs		₹ in Lakhs	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Buyers Credit	17.73	131.63	1,153.08	8,534.40
Trade Payables for capital goods	9.70	-	630.93	-

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

Foreign currency exposure	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD (₹)	65.69	64.39	65.49	64.19
Increase/ (decrease) in profit or loss (₹ in Lakhs)	(17.84)	(65.69)	(85.34)	(65.49)

The above buyers credit is unhedged.

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. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Floating rate borrowings	1,131.77	8,532.87
Fixed rate borrowings	-	-

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	(2.83)	(21.38)
25 bp decrease - Increase in profit	2.83	21.38

Credit risk management:

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. 6712.21 Lakhs and Rs. 8601.84 Lakhs as of March 31, 2018 and March 31, 2017, respectively. The Company has its major revenue from group companies, revenue from third party majorly consist of Berth Hire charges for which credit risk is not perceived as credit is not allowed to third party customers.

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

₹ in Lakhs

Particulars	For the year ended	% of total revenue	For the year ended	% of total revenue
	31st March, 2018		31st March, 2017	
Revenue from group companies	22,868.59	81.99	18,958.89	62.75
Revenue from third parties	5,024.34	18.01	11,256.41	37.25
	27,892.93	100.00	30,215.30	100.00

Credit Risk Exposure

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2018 and March 31, 2017 was Rs. 1.81 Lakhs and Rs. 1.81 Lakhs respectively.

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

Liquidity risk:

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

As of March 31, 2018, the Company had a working capital of Rs. 26498.08 Lakhs, As of March 31, 2017, the Company had a working capital of Rs. 21528.20 Lakhs. The Company is confident of managing its financial obligation through short term borrowing and liquidity management.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2018:

₹ in Lakhs

As at 31st March, 2018	Less than one year	1 to 5 years	> 5 years	Total
Borrowings (current)	1,131.77	-	-	1,131.77
Trade Payables	3,860.60	-	-	3,860.60
Other financial liabilities	2,822.46	62.49	-	2,884.95

₹ in Lakhs

As at 31st March, 2017	Less than one year	1 to 5 years	> 5 years	Total
Borrowings (current)	8,532.87	-	-	8,532.87
Trade Payables	5,427.21	-	-	5,427.21
Other financial liabilities	3,674.15	39.77	-	3,713.92

Collateral

The Company has pledged its ship unloader in order to fulfill its collateral requirement for the buyers credit

I. Assets taken on operating lease

- (i) The Company has taken assets of Port Premises on operating lease. The lease rentals are payable by the Company on a monthly basis.
- (ii) Future minimum rentals payable under non-cancellable operating leases are as follows:

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Not Later than 1 year	643.59	615.62
Later than 1 year and not later than 5 years	2,714.73	2,644.27
Later than 5 years	6,104.49	6,818.54
	9,462.81	10,078.43

II. Assets given on operating lease

- (i) The Company has given Mobile Harbour Crane on operating lease. The lease rentals are receivable by the Company on a monthly basis.
- (ii) Future minimum lease rentals receivable 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	300.00
Later than 1 year and not later than 5 years	225.00	525.00
Later than 5 years	-	-
	525.00	825.00

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Gross carrying amount of assets	3,312.16	3,312.16
Accumulated depreciation	843.78	562.52
Depreciation for the year	281.26	281.26

Note 48 :

The Company was charged a levy (CHLD Charges) by The Mormugao Port Trust, since November, 2007 for not using the labour of Cargo Handling Labour Department (CHLD) for loading and unloading at the time of use of Ship's Gear at the Berth/s 5A and 6A. The Company had contested this levy with a sole Arbitrator. The sole Arbitrator vide his order dated 8th November, 2014 has given the award in favour of the Company and asked the Mormugao Port Trust to refund the entire CHLD collected till date of the order along with interest of 9% per annum. However, the Mormugao Port Trust has preferred an appeal against the order of the Arbitrator with the District Court, Goa under section 34 of the Arbitration and Conciliation Act 1996. The Mormugao Port Trust had deposited Rs 6,08,18,067/- being the amount contested with the Hon'ble District Court. The Company had filed an application to the Hon'ble District Court for withdrawal of the amount deposited by the Port Trust. The Hon'ble District Court had issued an Order accepting the request of the company, based on an undertaking and Bank Guarantee given by company to return the same along with Interest @ 9%, in case, final decision goes in favor of the Mormugao Port Trust. The Company has received an amount of Rs 6.08 crores from the Hon'ble District Court based on the conditions specified, during the year.

Note 49 :

The Consent to Operate(CTO) of South West Port Limited (SWPL), Goa was revoked by the Goa State Pollution Control Board (GSPCB) by orders dated 9.01.2018, on the ground that SWPL had exceeded the handling capacity of coal cargo mentioned in their CTO.

SWPL had filed a Writ Petition No.56 of 2018 in the High Court of Bombay, Goa Bench and the High Court by its order dated 12.01.2018 permitted the vessels which had already sailed from respective destinations to be handled at SWPL's berths. The High Court also ordered that since SWPL had not exceeded the capacity for handling of steel slabs and limestone cargo, the order of revocation of CTO will not apply to these cargoes accordingly permitting the handling of steel and limestone within the permitted limits. The High Court also granted liberty to SWPL to file a fresh application for obtaining CTO. Accordingly SWPL is liaising with GSPCB to obtain a CTO afresh.

SWPL has also challenged the orders of revocation of the CTO by filing an appeal no. 7 of 2018 stating that in the absence of any pollution being caused by SWPL, GSPCB could not have revoked SWPL's CTO.

Note 50 :

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

Note 51 :

The 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 52:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 33 EARNINGS PER SHARE

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Earnings per share has been computed as under		
Profit for the year (₹)	490,398,161.18	638,150,539.40
Face Value of Equity Shares (₹)	10.00	10.00
Weighted average number of equity shares outstanding	46,200,000.00	46,200,000.00
Earnings per equity share		
Basic (₹)	10.61	13.81
Diluted (₹)	10.61	13.81

Note 53 :

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

Note 54 :

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

As per our attached report of even date

For HPVS & Associates

Chartered Accountant

Firm Registration No: 137533W

For and on behalf of the Board of Directors

K N Patel

Director

DIN : 00019414

Naveen Kumar

Whole-time Director

DIN : 07099121

Hitesh R Khandhadia

Partner

Membership No. 158148

Gazal Qureshi

Company Secretary

M. No. A16843

Brijmohan Mantri

Chief Financial Officer

Place: Mumbai

Date: 04th May 2018

ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING ON
MONDAY 30TH JULY, 2018

MAP



**1ST FLOOR, PORT USERS
COMPLEX, MORMUGAO
HARBOUR, GOA-403803**

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)	8.53	9.12	11.03	11.77	10.62
Operating Income	2,016.81	2,180.49	2,417.14	3,021.50	2,789.29
Other Income	86.56	180.77	165.28	185.85	356.49
Total Income	2,103.36	2,361.26	2,582.42	3,207.35	3,145.78
EBIDTA	918.52	836.27	761.52	1,123.50	1,163.86
Depreciation	186.28	116.37	250.91	318.23	378.58
Interest	4.61	1.25	0.88	23.97	27.96
PBT	727.64	718.65	509.73	781.30	757.32
Tax	24.14	49.76	24.51	143.14	266.92
PAT	703.49	668.90	485.22	638.16	490.40
Other Comprehensive Income	-	-	-0.26	0.03	0.56
Total Comprehensive Income	703.49	668.90	484.96	638.19	490.96
EPS (in ₹)	15.23	14.48	10.50	13.81	10.61
Shares in issue (nos)	46,200,000.00	46,200,000.00	46,200,000.00	46,200,000.00	46,200,000.00

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
CAPITAL ACCOUNTS					
Gross Block	2,466.19	3,305.97	2,867.21	4,229.52	4,606.46
Net Block	1,404.17	2,125.88	2,626.09	3,670.27	3,668.64
Capital Work in Progress	567.73	25.20	71.37	53.09	96.11
Total Debt	-	-	-	853.29	113.18
Equity Capital	462.00	462.00	462.00	462.00	462.00
Reserves & Surplus	2,766.40	3,433.59	4,370.54	5,053.48	5,519.16
Shareholders' Funds	3,228.40	3,895.59	4,832.54	5,515.48	5,981.16

RATIOS	2013-14	2014-15	2015-16	2016-17	2017-18
Profitability Ratios					
Operating Profit Margin	45.54%	38.35%	31.51%	37.18%	41.73%
Net Profit Margin	33.45%	28.33%	18.79%	19.90%	15.59%
Return on Capital Employed (EBIT / Cap emp)	22.68%	18.48%	10.57%	12.64%	12.89%
Return on Net Worth (PAT / Net Worth)	21.79%	17.17%	10.04%	11.57%	8.20%
Liquidity and Solvency Ratios					
Debt / Equity Ratios	-	-	-	0.15	0.02
Debt Coverage Ratios					
Interest coverage ratios (EBIT / Interest exp)	158.99	575.92	580.24	33.59	28.09
Book value per Share (₹)	69.88	84.32	104.60	119.38	129.46



JSW South West Port Limited

CIN: U45203GA1997PLC002369

Registered Office
1st Floor, Port User Complex,
Mormugao Harbour, Goa - 403 803
Tel: 0832 2523000 Fax: 0832 2523006