


Building capacities. Adding value.

Better Everyday.



A close-up portrait of Shri O. P. Jindal, an elderly man with dark hair, wearing glasses and a white shirt. He is looking directly at the camera with a slight smile. The background is softly blurred, showing what appears to be a framed picture on a wall.

Shri O. P. Jindal

August 7, 1930 to March 31, 2005
Visionary and Founder - O. P. Jindal Group

GREAT LEADERS
INSPIRE COUNTLESS LIVES,
LEAVE EVERLASTING MEMORIES,
TO FOREVER GUIDE DESTINIES

Way back in 1952, an age before the phrase entered public discourse Shri O. P. Jindal heralded 'Make in India' with a small scale manufacturing unit in his home town of Hisar in Haryana. In its ground-breaking wake came a pipe manufacturing company, the Jindal Group and an industrial folklore built with steel and power.

For more than five decades, as young India, born from colonial subjugation to democratic freedom built itself into a modern state, Shri O. P. Jindal epitomised enterprise, nationalism, innovation and social service. He sired and took his eponymous business organisation to stellar heights, strengthening at every step his commitment to social work and nation building.

On this day countless individuals in the Jindal family and beyond salute his spirit, which will forever guide our destiny.

With the government's unwavering focus on improving India's infrastructure, the port sector is poised for the next level of growth.

India's maritime transport facilitates 70% of the country's trading by value and 95% by volume.

With rise in trade, developing ports has become a key policy imperative, leading to an increase in private participation in the sector to enhance port infrastructure.

At JSW Infrastructure Group, we have always strived to align our goals with the nation's aspirations.

In pursuit of this we are
**building capacities
and adding value.**

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Highlights FY19

Cargo throughput (MMT)

12.69

Gross turnover (₹ in Million)

₹1,930

Net turnover (₹ in Million)

₹1,635

EBITDA (₹ in Million)

₹968

PBT (₹ in Million)

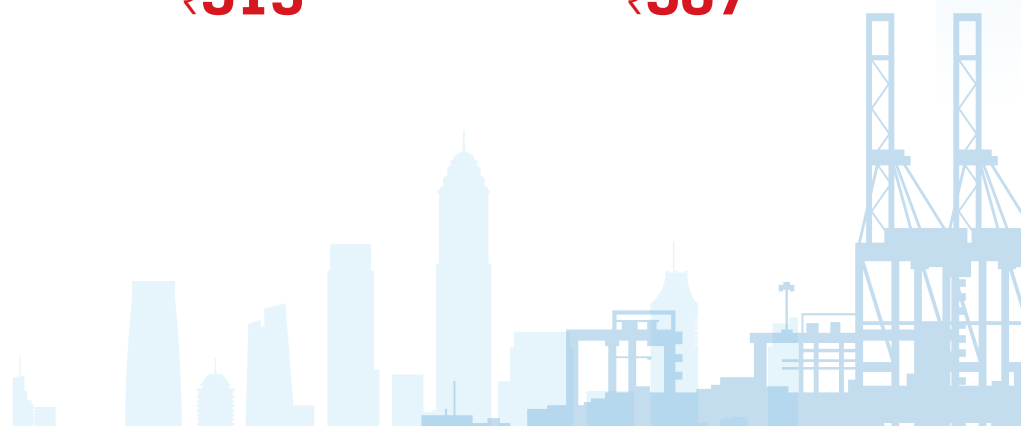
₹519

PAT (₹ in Million)

₹507

Cash profit (₹ in Million)

₹738





Corporate Information

Board of Directors

Mr. Lalit Singhvi

Non-Executive Director

Mr. Rashmi Ranjan Patra

Whole-time Director

Mr. Sudip Mishra

Non-Executive Director

Chief Financial Officer

Mr. Vikram Agarwal

Company Secretary

Ms. Vaidehi Sail

Statutory Auditors

M/s. Shah Gupta & Co.
Chartered Accountants

Bankers

Axis Bank Limited
Yes Bank Limited
Ratnakar Bank Limited

Registered Office

JSW Centre, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Tel: +91 22 4286 1000 Fax : +91 22 4286 3000
E-mail: infra.mumbai@jsw.in www.jsw.in
CIN: U93030MH2012PTC236083

Works

Dharamtar Port
Post: Dolvi
Tal: Pen, Raigad - 402107
Maharashtra, India.



Notice

Notice is hereby given that the **Seventh Annual General Meeting** of the Shareholders of **JSW Dharamtar Port Private Limited** will be held on **31st July, 2019, Wednesday** at **11.00 a.m.** at **JSW Centre, Bandra Kurla Complex, Bandra (East) Mumbai - 400 051** to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019 and Statement of Profit and Loss for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint the Director in place of Mr. Lalit Singhvi (holding DIN: 05335938), who retires by rotation and being eligible, offers himself for re-appointment.

Registered Office

JSW Centre, Bandra Kurla Complex,
Bandra East, Mumbai 400 051
CIN: U93030MH2012PTC236083

By order of the Board of Directors
JSW Dharamtar Port Pvt. Ltd.

Vaidehi Sail
Company Secretary
(M No: A55899)

Place: Mumbai

Dated: 21st May, 2019

Notes:

1. The details under Clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of the person(s) seeking appointment/re- appointment as Director at the Annual General Meeting, is annexed hereto.
2. A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING AND 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. Shareholders desirous of having any information regarding Accounts are requested to address their queries to the Accounts Officer at the Registered Office of the Company at least seven days before the date of the Annual General Meeting, so that the requisite information can be made available at the Annual General Meeting.
11. 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.

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

Name of Director	Mr. Lalit Singhvi
Category/Designation	Non-Executive Director
DIN	05335938
Age	55 years
Date of Birth	31/08/1963
Date of Original Appointment	31-10-2015
Qualification	Mr. Singhvi holds a Bachelor's degree in Commerce. He is a Fellow member of the Institute of Chartered Accountants of India.
Expertise in specific functional areas	Mr. Singhvi brings in more than over 34 years of experience encompassing both international and Large Indian Corporate covering Finance and Accounts, Strategy and Planning, Mergers and Acquisitions, Business Deveplment, Commercial, Legal and General Management.
Directorship in other Indian Public Limited Company	<ul style="list-style-type: none"> • JSW Infrastructure Limited • Jaigarh Digni Rail Limited
Chairmanship/Membership of Committees in other Indian Public Limited Company(C= Chairperson) (M=Member)	Nil
No. of Equity Shares	Nil
Relationship between Directors inter-se with other Directors and Key Managerial Personnel of the Company	None
Terms & Conditions of appointment or re-appointment	Tenure as director is subject to retirement of Directors by rotation in terms of Section 152 of the Companies Act, 2013.
Remuneration last drawn	Nil
Remuneration proposed to be paid	Nil
Number of Meeting of the Board attended during the year	5 of 5

Registered Office

JSW Centre, Bandra Kurla Complex,
Bandra East, Mumbai 400 051
CIN: U93030MH2012PTC236083

Place: Mumbai

Dated: 21st May, 2019

By order of the Board of Directors
JSW Dharamtar Port Pvt. Ltd.

Vaidehi Sail

Company Secretary
(M No: A55899)

Director's Report

To the Members of
JSW DHARAMTAR PORT PRIVATE LIMITED,

Your Directors take pleasure in presenting the Seventh Annual Report of the Company, together with the Standalone Audited Financial Statement for the year ended 31st March, 2019.

1. Financial summary or highlights/Performance of the Company

a) Financial Results

₹ in Lakhs

	Amount	
	2018-19	2017-18
Revenue from Operations	16,353.95	14,595.14
Other Income	429.17	222.53
Total Revenue	16,783.12	14,817.67
Profit before Interest, Depreciation and Tax Expenses (EBIDTA)	9,683.95	9,318.89
Finance costs	2,807.58	1,841.82
Depreciation and amortization expenses	1,684.70	1,548.19
Profit before Tax (PBT)	5,191.67	5,928.88
Provision for Tax	126.17	147.87
Profit after Tax (PAT)	5,065.50	5,781.01
Other comprehensive income/(loss) for the year	(17.63)	1.43
Total Comprehensive Income/(loss) for the year	5,047.87	5,782.44
Add: Profit brought forward from previous year	11,447.10	5,664.66
Amount available for Appropriation	16,494.97	11,447.10
Balance Carried to Balance Sheet	16,494.97	11,447.10

b) Performance highlights

Standalone

- The operating revenue and other income of your Company for fiscal 2019 is ₹ 16,783.12 Lakhs as against ₹ 14,817.67 Lakhs for fiscal 2018 showing an increase of 13.26 %.
- The EBIDTA increased by 3.92 % from ₹ 9,318.89 Lakhs in fiscal 2018 to ₹ 9,683.95 Lakhs in fiscal 2019.
- Profit for the year was ₹ 5,065.50 Lakhs as against ₹ 5,781.01 Lakhs in fiscal 2018.
- The net worth of your Company increased to ₹ 18,286.48 Lakhs at the end of fiscal 2019 from ₹ 13,108.91 Lakhs at the end of fiscal 2018.

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 and Expansion Plan

JSW Dharamtar Port is located in the vicinity of South East of Mumbai harbour in Dharamtar Creek in the estuary of Amba river extending to about 12 nautical miles upstream of the river. The port is being used to load/unload cargo from barges varying from 2500 to 8000 DWT with fleet size of 48 (Barges and MBCs) involved in Lighterage operation at Mumbai Harbour and transshipment from JSW Jaigarh Port. The major cargo handled are Iron Ore Fines, Iron Ore Lumps, Iron Ore Pellets, Coke, Coal, Coke Breeze, Lime stone, Dolomite, HBI, TMT Bar, HR Coil, Cement Clinker etc.

During the fiscal, the port handled 12.69 MMT as against 11.62 MMT cargo in the previous fiscal.

To meet higher cargo requirement of JSW Steel Plant due to their forthcoming expansion from 5 MTPA to 10 MTPA, Dharamtar Port is also expanding and appending

it's Jetty by additional length and procuring more Barge Unloaders to handle 34 million MT of cargo annually with related Conveyor system. Phase one Conveying system was commissioned in Mar-17 and phase II is in progress. After Phase II expansion, the Port shall be capable to handle 34 Million MT of Bulk Cargoes.

Further, Dharamtar Port has permission to handle third party cargo which is also actively pursued.

3. Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit to profit and loss account.

4. Dividend

Your Directors have deemed it prudent not to recommend any dividend on equity shares for the year ended 31st March, 2019, in order to conserve the resources for future growth.

5. Change In Capital Structure Share Capital

The equity share capital of the Company stands at ₹ 1,501 Lakhs as on 31st March, 2019. During the year under review, your Company has not issued further share capital in any mode.

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

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

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

The performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended 31st March, 2019 is attached as Annexure A to the Financial statements of the Company in the prescribed format AOC-1 and forms part of the Board's report.

7. Subsidiary Companies

Masad Marine Services Private Limited (Masad Marine)

Masad Marine was incorporated during the financial year 2014-15 with an authorised capital of ₹ 15 Lakhs and paid-up Equity Capital of the company is ₹ 1 Lakhs. Your Company holds 100% of the paid-up share capital of the Company.

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 also requirement for furnishing

of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

9. Material Changes and Commitments

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

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

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

11. Particulars of Loans, Guarantees, Investments And Securities

Particulars of investments made, loans given, 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 to 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 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. Credit Rating

During the year, the Credit Rating for long-term Bank facilities by Credit Analysis and Research Limited (CARE) were retained at AA- (Double A Minus)

Director's Report (Contd.)

15. 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. Lalit Singhvi (DIN: 05335938) retires by rotation at the ensuing AGM and being eligible offers himself for reappointment.

During the year under review Ms. Vaidehi Sail was appointed as the Company Secretary of the Company by the Board of Directors at their meeting held on 18th April, 2019.

Mr. Arun Bongirwar (DIN: 00046738) has resigned from the Directorship with effect from 4th May, 2018.

None of the Managerial Personnel except Rashmi Ranjan Patra (DIN: 03014938), Whole-time Director who is in receipt of remuneration from the JSW Infrastructure Limited, holding company of the Company where he is holding the position of Vice President.

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

16. Corporate Social Responsibility Initiatives

The Company firmly believes that in order to be a responsible corporate citizen in its true sense, its role is much more than 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 by engaging itself in rural development activities, promoting social development etc as per the categories provided in the Companies Act, 2013.

Strategy

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

- Priority is given to the villages in the immediate vicinity of the location, in order to get maximum effectiveness.

Thematic Areas

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

- Promoting Social Developments (education, skill development, livelihood enhancements etc.)
- Ensuring Environmental Sustainability
- Rural development

As per Section 135 of 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 crore 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 ₹ 94 Lakhs towards CSR activities. Your Company has successfully spent ₹ 94.92 Lakhs towards the CSR activities for FY 2018-19

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

17. Disclosures related to Board, Committees and Policies

a) Board Meetings

The Board of Directors comprised of the following members:

Name	Designation
Mr. Rashmi Ranjan Patra	Whole-time Director
Mr. Lalit Singhvi	Non-Executive Director
Mr. Sudip Mishra	Non-Executive Director

The Board of Directors met five times during the financial year ended 31st March, 2019 and the intervening gap between the meetings was 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.	4th May, 2018
2.	31st July, 2018
3.	30th October, 2018
4.	8th February, 2019
5.	28th February, 2019

b) Committees and Policies

1. Corporate Social Responsibility Committee

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

Name	Designation
Mr. Lalit Singhvi	Chairman
Mr. Rashmi Ranjan Patra	Member

The Corporate Social Responsibility Committee met once during the financial year ended 31st March, 2019 in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

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

Sr. No.	Date of Board Meeting
1.	8th February, 2019

2. 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 inter alia provide a mechanism inter alia 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

Mr. Rashmi Ranjan Patra, 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

3. Risk Management Policy

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

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

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

- Intended risks, like for investments, are taken prudently so as to manage exposure which can withstand risks affecting investments and remain resilient.
- Unintended risks related to performance, operations, compliances and systems are managed through direction setting vision/mission, prudent capital structuring, funds allocation commensurate with risks and opportunities, code of conduct, competency building, policies, processes, supervisory controls, audit reviews etc.
- Knowable unknown risks in fast changing Volatile, Uncertain, Complex and Ambiguous (VUCA) conditions are managed through timely sensitisation of market trends.
- Adequate provision is made for not knowable unknown risks.
- Overall risk exposure of present and future risks remains within Risk capacity as may be perceived by the management.

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

The Risk Management Policy may be accessed on the Company's website at www.jsw.in

Director's Report (Contd.)

18. 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.

19. Internal Financial Controls

Internal Control

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

- Adequate documentation of policies, guidelines, authority and approval procedures covering all the important functions of the Company.
- Deployment of an ERP system which covers most of its operations and is supported by a defined on-line authorisation protocol.

- Ensuring complete compliance with laws, regulations, standards and internal procedures and systems.
- De-risking the Company's assets and resources as well as protecting them from any loss.
- Ensuring the integrity of the accounting system and 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.
- The Board of Directors, regularly reviews audit plans, significant audit findings, adequacy of internal controls and compliance with Accounting Standards.
- A comprehensive Information Security Policy and continuous updation of IT systems.

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

Internal Audit

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 Board of 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 which has been a largely facilitated by ERP implementation across the organisation.

20. Directors' Responsibility Statement

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

- that in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the directors had selected such accounting policies and applied them consistently and made judgement 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.

21. Auditors and Auditors Reports

Statutory Auditors

The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2019 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.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away by Companies Amendment Act, 2017 vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs. Accordingly no resolution is to be proposed for ratification of the appointment of Auditors at the ensuing Annual General Meeting.

M/s. Shah Gupta and Co., Chartered Accountants, the Auditors of the Company, have been appointed for a term of 5 years by the shareholders at the 3rd Annual General Meeting dated 28th September, 2015. 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.

During the year, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

22. Extract of Annual Return

The Extract of annual return in MGT-9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration)

Rules, 2014 for the year ended 31st March, 2019 is attached as Annexure D and is also available on the website of the Company at www.jsw.in.

23. 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) Installation of new high mast (5 No.) in the Port with LED light fittings. The new Dharamtar substation (DSS) has all LED lighting system.
- 4) In Conveyor gallery 134 numbers of 70 watts mercury lamps were replaced by 35 watts LED lamps. In crane 36 numbers of 1000 watts HPSV lamps were replaced by 300 watts LED
- 5) Foreign Exchange Earnings and outgo:
Total foreign exchange used and earned during the year.

₹ in Lakhs		
Name	FY 2018-19	FY 2017-18
Foreign Exchange earned	-	-
Foreign Exchange used	410.91	177.03

24. Environment and Pollution Control

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

- 1) The Company is continuously monitoring the Air and Water quality on a regular basis.
- 2) Water is being sprinkled on road by water tanker continuously to control fugitive dust. Dry Fog system has been installed in conveyor system to control fugitive dust in conveyor system.

The Company has taken initiatives for plantation of suitable variety of trees at various locations in the Port premises.

25. Particulars regarding sexual harassment of women at workplace

Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual

Director's Report (Contd.)

Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

26. 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 Maharashtra Maritime Board, the Government of Maharashtra and other regulatory authorities.

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: 21st May, 2019

Lalit Singhvi
(DIN: 05335938)
Director

Rashmi Ranjan Patra
(DIN:03014938)
Whole-time Director

ANNEXURE A

PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

(Information in respect of each subsidiary/Associate Companies/Joint Venture Companies to be presented with amounts in ₹ Lakhs)

Sr. No	Name of the subsidiary	Financial year ended	Exchange rate	Share capital (paid-up)	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding
1.	Masad Marine Services Private Limited	31st March, 2019	INR	1.00	(1.78)	0.02	0.80	-	-	(0.32)	-	(0.32)	100%

Notes:

- 1) Proposed Dividend from any of the subsidiaries is Nil
- 2) Masad Marine Services Private Limited have not yet commenced operation.

For and on behalf of the Board of Directors

Lalit Singhvi
(DIN: 05335938)
Director

Rashmi Ranjan Patra
(DIN: 0301 4938)
Whole-time Director

Vikram Agarwal
(PAN: AIPPA6652F)
Chief Financial Officer

Vaidehi Sail
(M No.A55899)
Company Secretary

Place: Mumbai

Date: 21st May, 2019

Director's Report (Contd.)

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 arms length transactions under third proviso thereto

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2019 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 Audit Committee/Board Approval	Amount paid as advance, if any
Nature of Contract					
Purchase of Services					
JSW Infrastructure Limited	Holding Company	12 months	Cargo Handling Services	Approved by Audit Committee of Board of Directors of the Company on 30th March, 2018.	-
JSW IP Holdings Private Limited	Others	12 months	Brand Royalty Fees		-
JSW Jaigarh Port Limited	Fellow Subsidiary Company	120 months	Cargo Handling Services		
Sale of Services					
JSW Steel Limited	Others	180 months	Cargo Handling Services		-
Amba River Coal Limited	Others	180 months	Cargo Handling Services		-
JSW Cement Limited	Others	12 months	Cargo Handling Services		-
Dolvi Coke Projects Limited	Others	180 months	Cargo Handling Services		-
JSW Jaigarh Port Limited	Fellow Subsidiary Company	24 months	Cargo Handling Services		-
Purchase of Capital Goods					
JSW Cement Limited	Others	-	Material Purchased		-
JSW Steel Coated Products Limited	Others	-	Material Purchased		-

* All transaction are in ordinary course of business and at arm's length basis

For and on behalf of the Board of Directors

Place: Mumbai
Date: 21st May, 2019

Lalit Singhvi
(DIN: 05335938)
Director

Rashmi Ranjan Patra
(DIN: 03014938)
Whole-time Director

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

₹ in Lakhs

Particulars	Amount
Average net profit of the Company for last three financial years	4,679.00
Prescribed CSR Expenditure (2% of the average net profit)	94.00
Details of CSR Expenditure during the financial year:	
Total amount to be spent for the financial year	94.00
Amount Spent	94.92
Amount Unspent	-
Excess Spent	00.92

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

₹ in Lakhs

(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	(Computer aided learning center) // e-Learning - Project Management of E learning project is association with Gurujworld Pune	Promoting Social Development	Village Wadkhal, Mankule, Tukaramwadi, Bhal, Indranagar, and Wave, Tal Pen, Dist. Raigad	15.6	15.6	15.6	Ms Gurujworld Technologies Pvt. Ltd.
2	Rural Toppers Awards	Promoting Social Development	Village Wadkhal, Mankule, Tal Pen, Dist. Raigad	0.23	0.23	0.23	Direct
3	Educational support Laxmanrao mankar smirti sansthan, Nagpur	Promoting Social Development	Nagpur, Maharashtra	29	29	29	Direct
4	water facility, water coller/ sports ground development	Promoting Social Development	Village Wadkhal, Mankule, Tukaramwadi, Bhal, Indranagar, and Wave, Tal Pen, Dist. Raigad	21.56	21.56	21.56	Direct
5	1) One high mast lamps at Wadhkal 2) Solar lamps at 5 villages - 10 units	Addressing Environmental Issues	Village Wadkhal, Tal Pen, Dist. Raigad	4.48	4.48	4.48	Direct
6	Support to fishermen community - Fishnets distribution at Wadkhal	Rural Development Projects	Village Wadkhal, Mankule, Wadhav, Tal Pen, Dist. Raigad	23.13	23.13	23.13	Direct
7	Administration & Capacity Building Expenses	Admin & Capacity Building Expenses	For project implementation	00.92	00.92	00.92	Direct
Total				94.92	94.92	94.92	

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: 21st May, 2019

Lalit Singhvi
(DIN: 05335938)
Director

Rashmi Ranjan Patra
(DIN: 03014938)
Whole-time Director

Director's Report (Contd.)

ANNEXURE D

Extract of Annual Return

As on financial year ended on 31st March, 2019

[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	: U93030MH2012PTC236083
Registration Date	: 24th September, 2012
Name of the Company	: JSW Dharamtar Port Private Limited
Category/Sub-Category of the Company	: Private Limited
Address of the Registered office and contact details	: JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai – 400051
Whether listed company	: No
Name, Address and Contact details of Registrar and Transfer Agent, if any:	: NA

II. Principal Business activities of the Company

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

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

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and address of the Company	CIN/GLN	Holding/subsidiary/ associate	% of shares held	Applicable section
1	JSW Infrastructure Limited	U45200MH2006PLC161268	Holding	100	2(46)
2	Masad Marine Services Private Limited	U74120MH2014PTC258571	Subsidiary	100	2(87)

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i. 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.	-	1,50,10,000	1,50,10,000	100	-	1,50,10,000	1,50,10,000	100	-
e) Banks/Fl	-	-	-	-	-	-	-	-	-
f) Any other (Trust)	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	-	1,50,10,000	1,50,10,000	100	-	1,50,10,000	1,50,10,000	100	-

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	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	1,50,10,000	1,50,10,000	100	-	1,50,10,000	1,50,10,000	100	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 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)	-	1,50,10,000	1,50,10,000	100	-	1,50,10,000	1,50,10,000	100	

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

ii. Shareholding Of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	*JSW Infrastructure Limited	1,50,10,000	100	-	1,50,10,000	100	-	-
	Total	1,50,10,000	100	-	1,50,10,000	100	-	-

*Body Corporate holds shares along with its nominees.

Director's Report (Contd.)

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	JSW Infrastructure Limited				
	At the beginning of the year	1,50,10,000	100	1,50,10,000	100
	Purchase/Transfer during the year	-	-	-	-
	At the End of the year	1,50,10,000	100	1,50,10,000	100

iv. Shareholding Pattern Of Top Ten Shareholders (Other Than Directors, Promoters And Holders of GDRS And ADRS):

Sl. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	Purchase/Transfer with the Company				
	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-

v. Shareholding of Directors And Key Managerial Personnel:

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

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

V. Indebtedness

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	9,617.93	-	-	21,560.03
ii) Interest due but not paid	-	11,942.10	-	-
iii) Interest accrued but not due	69.85	18.52	-	88.37
Total (i+ii+iii)	9,687.78	11,960.62	-	21,648.40
Change in Indebtedness during the financial year				
Addition	899.61	23.80	-	923.41
Reduction	69.85	1,232.36	-	1,302.21
Net Change	829.76	(1208.56)	-	(378.80)
Indebtedness at the end of the financial year				
i) Principal Amount	10,440.52	10,728.26	-	21,168.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	77.02	23.80	-	100.82
Total (i+ii+iii)	10,517.54	10,752.06	-	21,269.60

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	*Mr. Rashmi Ranjan Patra (Whole-time-Director)
1	Gross salary	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	77,67,541
	(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	Others, please specify	-
	Total (A)	77,67,541
	Ceiling as per the Act	*NA

*Mr. Rashmi Ranjan Patra 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:

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. Arun Bongirwar	Mr. K C Jena Till 08.11.2017	
1.	Independent Directors			
	Fee for attending board/committee meetings	-	-	-
	Commission	3,50,000	2,11,944	5,61,944
	Others, please specify	-	-	-
	Total (1)	3,50,000	2,11,944	5,61,944
2.	Other Non-Executive Directors			
	Fee for attending board/committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	3,50,000	2,11,944	5,61,944
	Total Managerial Remuneration			NA
	Overall Ceiling as per the Act			NA

Director's Report (Contd.)

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

Sl. No.	Particulars of Remuneration	Ms. Vaidehi Sail (CS - wef 18th April, 2019) (₹)	Mr. Vikram Agarwal (CFO) (₹)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	17,41,248
	(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	Others, please specify	-	-
	Total (A)	-	17,41,248

VII. Penalties/Punishment/Compounding of Offences

There were no Penalties/Punishment/Compounding of Offences during the year ended 31st March, 2019.

Independent Auditors' Report

To the Members of
JSW DHARAMTAR PORT PRIVATE LIMITED

Report on the Audit of the Ind AS Financial Statements Opinion

We have audited the accompanying Ind AS financial statements of JSW DHARAMTAR PORT PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, 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 notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises Directors'

Report including Annexure there to but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditors' Report (Contd.)

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows and Statement of

Changes in Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the Internal financial controls over financial reporting the Company and operative effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and 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 the requirements of the sub-section 16 of Section 197 of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on our examination of the records of the Company, the whole time director of the Company is holding place of profit in the Holding Company and the remuneration is paid by the

Holding Company. Hence, the Company has not paid/provided for any managerial remuneration during the year. Accordingly, the provision of Section 197 of the Act is not applicable to the Company.

- (h) With respect to the other matters to be included in the Auditors' 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 financial statements - Refer Note 30 to financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2019 for 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 **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No.: 109574W

Vipul K. Choksi
Partner
Membership No. 37606

Place: Mumbai
Date: 21st May, 2019

Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the financial statements of the Company for the year ended 31st March, 2019:

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
- b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year by the Management. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties 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 interval during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of accounts.
- iii. According to the information and explanations given by the Management, the Company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under Section 189 of the Act. Accordingly, sub clause (a), (b) & (c) are not applicable to the Company.
- 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. According to the information and explanations given to us, the Company has not accepted any deposit from the public with the meaning of the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, clause 3(v) of the order is not applicable to the company.
- 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. Accordingly, clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues including provident fund, Income-Tax, Cess, Goods and Service Tax and other material statutory dues applicable to it to the appropriate authorities.
 - b) There were no undisputed amount payable in respect of provident fund, Income-Tax, Cess, Goods and Service Tax and other material statutory dues in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.
 - c) According to the records of the Company, there are no dues of provident fund, Income-Tax, Cess, Goods and Service Tax and other material statutory dues which have not been deposited on account of any disputes, other than as follows:

Name of the status	Nature of Dues	Amount (₹ In Lakh)	Period to 0 the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax	12.16	A.Y. 2017-18	Assessing Officer

- viii. According to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to its bankers and government. The Company did not have any outstanding debenture during the year.
- 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, clause 3 (ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employee has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the 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. Hence, the Company has not paid/provided for any managerial remuneration during the year. Accordingly, the provision of clause 3 (xi) of the Order is not applicable to the Company.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provision of clause 3 (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and hence provisions of section 192 of the Act are not applicable. Accordingly, clause 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- For **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No.: 109574W
- Vipul K. Choksi**
Partner
Membership No. 37606
- Place:** Mumbai
Date: 21st May, 2019

Annexure B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **JSW DHARAMTAR PORT PRIVATE LIMITED** ("the Company") as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SHAH GUPTA & CO.**

Chartered Accountants

Firm Registration No.: 109574W

Place: Mumbai

Date: 21st May, 2019

Vipul K. Choksi

Partner

Membership No. 37606

Balance Sheet

as at 31st March, 2019

CIN: U93030MH2012PTC236083

₹ in Lakhs

	Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	29,328.91	23,840.12
Capital work-in-progress	2.1	2,226.21	7,620.82
Other Intangible Assets	3	5.95	7.88
Financial Assets			
Investments	4	1.00	1.00
Other financial asset	5	12,566.83	13,775.17
Deferred Tax Assets (Net)	6	1,948.79	946.72
Other Non-Current Assets	7	207.87	354.01
Total Non-Current Assets		46,285.56	46,545.72
Current Assets			
Inventories	8	3,223.88	705.07
Financial Assets			
Investments	4	3,295.07	1,481.13
Trade receivables	9	3,439.30	4,576.29
Cash and cash equivalents	10	133.54	80.88
Bank balances other than cash and cash equivalents	11	309.26	12.93
Other financial assets	12	2.95	2.95
Current Tax Assets (Net)	6	79.89	201.69
Other Current Assets	13	1,296.07	411.12
Total Current Assets		11,779.96	7,472.06
Total Assets		58,065.52	54,017.78
Equity and Liabilities			
Equity			
Equity Share Capital	14	1,501.00	1,501.00
Other Equity	15	16,785.48	11,607.91
Total Equity		18,286.48	13,108.91
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	16	20,076.43	21,289.90
Other financial liabilities	17	13,625.86	14,206.71
Provisions	18	53.05	31.40
Total Non-Current Liabilities		33,755.34	35,528.01
Current Liabilities			
Financial Liabilities			
Trade payables			
Due to Micro and Small Enterprises	19	10.12	22.98
Due to others	19	2,118.92	2,698.11
Other financial liabilities	20	3,839.65	2,484.90
Other Current Liabilities	21	50.06	171.92
Provisions	22	4.95	2.95
Total Current Liabilities		6,023.70	5,380.86
Total Equity and Liabilities		58,065.52	54,017.78
Significant accounting policies and key accounting estimates & judgements	1		

The accompanying notes form an integral part of financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

For **Shah Gupta & Co.**
Chartered Accountants
Firm's Registration No. 109574W

Rashmi Ranjan Patra
Whole-time Director
DIN: 03014938

Lalit Singhvi
Director
DIN: 05335938

Vipul K Choksi
Partner
Membership No. 37606

Vikram Agarwal
Chief Finance Officer

Vaidehi Sail
Company Secretary
Membership No. 55899

Dated: 21st May, 2019**Place:** Mumbai

Statement of Profit and Loss

for the year ended 31st March, 2019

₹ in Lakhs (except EPS)

	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Income			
Revenue from Operations	23	16,353.95	14,595.14
Other Income	24	429.17	222.53
Total Income (1)		16,783.12	14,817.67
Expenses			
Operating Expenses	25	5,510.69	4,363.39
Employees Benefit Expense	26	947.36	646.13
Finance Costs	27	2,807.58	1,841.82
Depreciation and Amortisation Expense	28	1,684.70	1,548.19
Other Expenses	29	641.12	489.26
Total Expenses (2)		11,591.45	8,888.79
Profit Before Tax (1 - 2)		5,191.67	5,928.88
Tax Expense			
Current Tax	6	78.28	41.86
Deferred Tax (credit)	6	47.89	106.01
Profit For The Year (3)		5,065.50	5,781.01
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of employee benefits		(27.10)	1.82
Income tax relating to items that will not be reclassified to profit or loss		9.47	(0.39)
Total Other Comprehensive Income/(Loss) For The Year (4)		(17.63)	1.43
Total Comprehensive Income For The Year (3 + 4)		5,047.87	5,782.44
Earning per equity share of ₹ 10 each			
Basic (₹)	37	33.75	38.51
Diluted (₹)	37	33.75	38.51
Significant accounting policies and key accounting estimates & judgements	1		

The accompanying notes form an integral part of financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

For **Shah Gupta & Co.**
Chartered Accountants
Firm's Registration No. 109574W

Rashmi Ranjan Patra
Whole-time Director
DIN: 03014938

Lalit Singhvi
Director
DIN: 05335938

Vipul K Choksi
Partner
Membership No. 37606

Vikram Agarwal
Chief Finance Officer

Vaidehi Sail
Company Secretary
Membership No. 55899

Dated: 21st May, 2019

Place: Mumbai

Statement of Changes in Equity

for the Year Ended 31st March, 2019

A) Equity Share Capital

₹ in Lakhs

Balance as at 1st April, 2017	Changes in equity share capital during the year	Balance as at 31st March, 2018
1,501.00	-	1,501.00

₹ in Lakhs

Balance as at 1st April, 2018	Changes in equity share capital during the year	Balance as at 31st March, 2019
1,501.00	-	1,501.00

B) Other Equity

₹ in Lakhs

Particulars	Retained Earnings	Parent's ESOP Contribution (ESOP of Parent Company)	Other Comprehensive income	Total equity attributable to equity holders of the Company
Balance as at 1st April, 2017	5,664.32	160.97	0.34	5,825.63
Profit for the year	5,781.01	-	-	5,781.01
OCI for the year				
- Remeasurements gains/(loss) on defined benefit plans	-	-	1.43	1.43
ESOP paid during the year (net)	-	(0.16)	-	(0.16)
Balance as at 31st March, 2018	11,445.33	160.81	1.77	11,607.91

₹ in Lakhs

Particulars	Retained Earnings	Parent's ESOP Contribution (ESOP of Parent Company)	Other Comprehensive income	Total equity attributable to equity holders of the Company
Balance as at 1st April, 2018	11,445.33	160.81	1.77	11,607.91
Profit for the year	5,065.50	-	-	5,065.50
OCI for the year				
- Remeasurements gains/(loss) on defined benefit plans	-	-	(17.63)	(17.63)
ESOP paid during the year (net)	-	129.70	-	129.70
Balance as at 31st March, 2019	16,510.83	290.51	(15.86)	16,785.48

The accompanying notes form an integral part of financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

For **Shah Gupta & Co.**
Chartered Accountants
Firm's Registration No. 109574W

Rashmi Ranjan Patra
Whole-time Director
DIN: 03014938

Lalit Singhvi
Director
DIN: 05335938

Vipul K Choksi
Partner
Membership No. 37606

Vikram Agarwal
Chief Finance Officer

Vaidehi Sail
Company Secretary
Membership No. 55899

Dated: 21st May, 2019**Place:** Mumbai

Statement of Cash Flow

for the year ended 31st March, 2019

₹ in Lakhs

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
[A] Cash Flows from Operating Activities		
Profit before tax from continuing operations	5,126.15	5,928.88
Adjustments for:		
Depreciation and amortisation expense	1,684.70	1,548.19
Loss on sale of Fixed Assets	0.02	0.03
Finance costs	2,807.58	1,841.82
Share based payment expenses	129.70	-
Interest income	(152.50)	(57.18)
Fair value of Mutual Fund through Profit & Loss	(32.54)	(14.30)
Profit on sale of investments (net)	(178.74)	(30.17)
Unrealised exchange (gain)/loss (net)	-	(120.88)
Operating profit before working capital changes	9,384.37	9,096.39
Adjustments for:		
(Increase)/Decrease in trade and other receivables	1,136.99	(3,229.94)
(Increase)/Decrease in inventories	(2,518.78)	(705.07)
(Increase)/Decrease in Current Assets, Loans and advances	709.61	(473.56)
Increase/(Decrease) in trade and other payables	640.83	(1,793.81)
Increase/(Decrease) in provisions	23.66	(667.79)
	(7.68)	(6,870.17)
Cash (used in)/from operations	9,376.69	2,226.23
Direct taxes paid (net of refunds)	(1,198.66)	(1,468.76)
Net cash generated from operating activities (A)	8,178.03	757.47
[B] Cash Flows from Investing Activities		
Add: Inflows from investing activities		
Capital Work-in-progress decrease/(increase)	-	(1,045.71)
Sale of current investments	211.28	(44.47)
Interest received	152.50	(57.17)
	363.78	(1,147.35)
Less: Outflows from investing activities		
Purchase of property, plant and equipment and intangible assets	1,776.96	2,379.30
Purchase of investments (net)	2110.27	(880.87)
	3,887.23	1,498.43
Net Cash (used in) investing activities (B)	(3,523.45)	(2,645.78)
[C] Cash Flows from Financing Activities		
Add: Inflows from financing activities		
Proceeds from Secured long-term borrowings	-	972.31
Proceeds from Unsecured short-term borrowings	-	1,483.25
	-	2,455.56
Less: Outflows from financing activities		
Repayments of short-term borrowings	1,794.34	(870.78)
Margin Money Deposits with Banks	-	0.97
Interest paid	2,807.58	1,859.03
	4,601.92	989.22
Cash from financing activities (C)	(4,601.92)	1,466.34
Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)	52.66	(421.97)
Cash and cash equivalents at beginning of the year	80.88	502.85
Cash and cash equivalents at end of the year	133.54	80.88

Statement of Cash Flow

for the year ended 31st March, 2019

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, 2019	As at 31st March, 2018
Balances with Banks :		
In current account	83.54	80.88
In term deposit with maturity less than 3 months of inception	50.00	-
Cash and Cash Equivalents in Cash Flow Statement	133.54	80.88

(c) Changes in liabilities arising from financing activities

₹ in Lakhs

Particulars	As at 31st March, 2018	Cash Flows	Non-cash changes Fair value changes	As at 31st March, 2019
Term loans from banks	9,347.80	790.00	302.72	10,440.52
Buyers Credit	12,212.10	(2,224.89)	741.05	10,728.26
Total liabilities from financing activities	21,559.90	(1,434.89)	1,043.77	21,168.78

₹ in Lakhs

Particulars	As at 31st March, 2017	Cash Flows	Non-cash changes Fair value changes	As at 31st March, 2018
Term loans from banks	8,375.48	1,254.52	(282.20)	9,347.80
Buyers Credit	11,599.63	612.47	-	12,212.10
Total liabilities from financing activities	19,975.11	1,866.99	(282.20)	21,559.90

The accompanying notes form an integral part of financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

For **Shah Gupta & Co.**
Chartered Accountants
Firm's Registration No. 109574W

Rashmi Ranjan Patra
Whole-time Director
DIN: 03014938

Lalit Singhvi
Director
DIN: 05335938

Vipul K Choksi
Partner
Membership No. 37606

Vikram Agarwal
Chief Finance Officer

Vaidehi Sail
Company Secretary
Membership No. 55899

Dated: 21st May, 2019

Place: Mumbai

Notes to the Financial Statements

for the year ended 31st March, 2019

Company Overview

JSW Dharamtar Port Private Limited ("the Company") is a private limited company, domiciled in India and incorporated in under the provision of Companies Act applicable in India. The registered office of the Company is located at JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai - 400 051.

The Company is engaged in developing and operating mechanized modern ports at suitable locations to support JSW Company in addition to catering to third party cargo handling requirement.

1. Significant Accounting Policies and Key Accounting Estimates and Judgements

1.1 Basis of preparation of financial statements

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

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. Property, Plant and Equipment

Property, plant and equipment are measured at deemed cost less accumulated depreciation. 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. 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 as mentioned below:

Assets	Years
Electrical installations & equipment	10 years
Conveyor equipments with Junction house	15 years
Computer desktop, laptop and mobile handset	3 years
Office equipments	5 years
Vehicle	8 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 Company based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment (as mentioned below) over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013 (Schedule III). The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Assets	Estimated useful lives
Barge Berth 619 Mtrs	28 years as per concession agreement
Conveyor structure	28 years
Barge Berth Fenders	6 years
Pay loaders – L&T make	9 years
Conveyor belts	3 years

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

Notes to the Financial Statements

for the year ended 31st March, 2019

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.

2. 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.

3. 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.

4. 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.

5. 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

Notes to the Financial Statements

for the year ended 31st March, 2019

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.

Arrangements in the nature of lease

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Company applies the

requirements of Ind AS 17 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 17 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

6. Fair Value Measurement

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

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the

Notes to the Financial Statements

for the year ended 31st March, 2019

lowest level input that is significant to the fair value measurement as a whole:

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

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

7. Financial instruments

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

a) Investments and other financial assets:

Classification

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

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

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

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

investment at fair value through other comprehensive income.

Initial recognition and measurement

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

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

Measured at fair value through other comprehensive income (FVTOCI): Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting

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for the year ended 31st March, 2019

contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss.

Gains or Losses on De-recognition

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

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

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

Equity Instruments

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

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments

measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets:

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

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

De-recognition:

A financial asset is de-recognized only when

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

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

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

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

Notes to the Financial Statements

for the year ended 31st March, 2019

Income recognition:

Interest Income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

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

b) Financial liabilities

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

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

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

De-recognition:

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

Offsetting financial instruments:

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

8. Provisions, Contingent liabilities, Contingent assets and Commitments

A provision is recognised 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.

Notes to the Financial Statements

for the year ended 31st March, 2019

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.

9. 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.

10. Taxes

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

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

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

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 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 is recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it

Notes to the Financial Statements

for the year ended 31st March, 2019

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

The Company is eligible and claiming tax deduction available under section 80IA of Income Tax Act, 1961 for a period of 10 years w.e.f F.Y.2016-17. 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.

11. 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. Realised gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

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

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

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 is multiply payment or receipts in advance, then an entity must determine transaction date for each payment or receipt of advance consideration. There is no effect on account of adoption of this amendment.

12. 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.

13. 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

Notes to the Financial Statements

for the year ended 31st March, 2019

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 intrinsic value of the stock options. The compensation expense is amortized uniformly over the vesting period of the option.

14. 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 and transportation service including cargo handling, grab handling and storage income are recognised on proportionate completion method basis based on services completed till reporting date. Revenue on take-or-pay charges are recognised for the quantity that is difference between annual agreed tonnage and actual quantity of cargo handled.

Notes to the Financial Statements

for the year ended 31st March, 2019

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.

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. There is no effect on adoption of Ind AS 115.

15. 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.

16. 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.

17. 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.

18. Segment reporting

The Company is primary engaged in the one business segment namely developing, operating and maintaining the port services, port related infrastructure development activities and developing of infrastructure as determined by Chief Operational decision maker, in accordance with IND AS 108 "Operating Segments".

Considering the interrelationship of various activities of the business, the Chief Operational decision maker monitored the operating result 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.

19. 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

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for

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for the year ended 31st March, 2019

lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- **Full retrospective** – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- **Modified retrospective** – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The Company does not have any impact on account of this amendment.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The Company does not have any impact on account of this amendment.

Amendment to Ind AS 12 – Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

Notes to the Financial Statements

for the year ended 31st March, 2019

- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

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.

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.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 2: Property, Plant and Equipment

₹ in Lakhs

Particulars	Freehold Land	Buildings	Plant and machinery (Owned)	Plant and machinery (On Finance Lease)	Furniture and fittings	Vehicles	Office equipments	Computers	Total
Cost:									
As at 1st April, 2017	7.37	7,926.70	2,071.46	14,638.06	43.02	50.28	28.18	13.69	24,778.76
Additions	-	93.57	607.42	-	9.92	-	1.31	4.92	717.14
Disposals/transfers	-	-	-	-	-	-	0.54	-	0.54
As at 31st March, 2018	7.37	8,020.27	2,678.88	14,638.06	52.94	50.28	28.95	18.61	25,495.36
Additions	-	6,978.63	77.31	-	-	14.39	86.93	12.53	7,169.79
Disposals/transfers	-	-	-	-	-	-	-	-	-
As at 31st March, 2019	7.37	14,998.90	2,756.19	14,638.06	52.94	64.67	115.88	31.14	32,665.15
Accumulated Depreciation:									
As at 1st April, 2017	-	4.54	60.26	20.99	6.99	3.76	8.05	6.91	111.50
Depreciation charge for the year	-	331.39	237.09	955.37	4.83	5.88	5.99	3.70	1,544.25
Disposals/transfers	-	-	-	-	-	-	0.51	-	0.51
As at 31st March, 2018	-	335.93	297.35	976.36	11.82	9.64	13.53	10.61	1,655.24
Depreciation charge for the year	-	447.15	269.52	927.08	5.21	6.59	20.16	5.29	1,681.00
Disposals/transfers	-	-	-	-	-	-	-	-	-
As at 31st March, 2019	-	783.08	566.87	1,903.44	17.03	16.23	33.69	15.90	3,336.24
Net book value									
As at 1st April, 2017	7.37	7,922.16	2,011.20	14,617.07	36.03	46.52	20.13	6.78	24,667.26
As at 31st March, 2018	7.37	7,684.34	2,381.53	13,661.70	41.12	40.64	15.42	8.00	23,840.12
As at 31st March, 2019	7.37	14,215.82	2,189.32	12,734.62	35.91	48.44	82.19	15.24	29,328.91

Notes:

- a) For assets taken on finance lease, refer note 43.
b) Certain Property, Plant and Equipment are pledged against borrowing. The details relating to which have been described in note 16.

NOTE 2.1: Capital work-in-progress

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

₹ in Lakhs

Particulars	CWIP Others
As at 1st April, 2017	6,574.63
Additions	2,887.94
Disposals/transfers	1,841.75
As at 31st March, 2018	7,620.82
Additions	4,819.22
Disposals/transfers	10,213.83
As at 31st March, 2019	2,226.21

For details refer note no. 32

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 3: Other Intangible Assets

₹ in Lakhs

Particulars	Computer Software
Cost:	
As at 1st April, 2017	12.53
Additions	-
Disposals/transfers	-
As at 31st March, 2018	12.53
Additions	1.78
Disposals/transfers	-
As at 31st March, 2019	14.31
Accumulated amortisation:	
As at 1st April, 2017	0.71
Amortisation charge for the year	3.94
Disposals/transfers	-
As at 31st March, 2018	4.65
Amortisation charge for the year	3.71
Disposals/transfers	-
As at 31st March, 2019	8.36
Net book value:	
As at 1st April, 2017	11.82
As at 31st March, 2018	7.88
As at 31st March, 2019	5.95

Note 4: Financial Assets - Investments

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current Investments		
Investment in Subsidiaries		
Unquoted		
Equity instruments (at cost)		
Masad Marine Private Limited	1.00	1.00
10,000 Equity Shares of ₹ 10/- each (Previous year 10,000 Equity Shares of ₹ 10/- each)		
Aggregate amount of carrying value of unquoted investment	1.00	1.00
Aggregate amount of impairment value of unquoted investment	-	-
Current Investments		
Investment in Mutual Funds - Quoted		
Carried at fair value through Profit and Loss	3,295.07	1,481.13
	3,295.07	1,481.13
Notes:		
Aggregate amount of Quoted investments		
Book value	3,262.53	1,466.83
Market value	3,295.07	1,481.13

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 5: Non-Current Financial Assets – Others

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Security deposits*	5,857.12	6,925.68
Deferred Interest Charges	6,709.71	6,849.49
	12,566.83	13,775.17

* Interest free deposits against cargo handling arrangement with JSW Jaigarh Port Limited.

Note 6: 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, 2019	For the year ended 31st March, 2018
Current Income tax	1,118.77	1,266.30
Tax (credit) under Minimum Alternative Tax	(1,040.49)	(1,224.44)
Current Tax (A)	78.28	41.86
Deferred tax (B)	47.89	106.01
Total Tax Expense (reported in the statement of P&L) (A + B)	126.17	147.87

Income Tax expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Reconciliation		
Profit before tax	5,191.67	5,928.88
Applicable tax rate	27.820%	34.608%
Computed tax expense	1,444.32	2,051.87
Expense not allowed for tax purpose	638.94	731.71
Additional allowances for tax purpose	(767.37)	(844.02)
Additional (allowances)/charge for capital gain	40.67	10.44
Other Taxable income	3.52	31.42
Other temporary differences	-	0.63
80IA/80G benefit	(1,281.80)	(1,940.19)
Total Tax Expense	78.28	41.86
MAT Credit		
MAT Liability (115JB)	1,118.77	1,266.30
MAT Credit entitlement	(1,040.49)	(1,224.44)
Current tax	78.28	41.86

The following table provides the details of income tax assets and income tax liabilities as below:

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Income tax assets	1,198.66	1,468.58
Income tax liabilities	(1,118.77)	(1,266.89)
	79.89	201.69

Notes to the Financial Statements

for the year ended 31st March, 2019

Deferred tax relates to the following:

₹ in Lakhs

Particulars	Balance Sheet		Recognised in statement	
	As at 31st March, 2019	As at 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Expenses allowable on payment basis (Gratuity & Leave)	17.55	8.02	9.53	4.57
Unused tax losses/depreciation	(608.38)	(383.64)	(224.74)	(192.20)
Finance lease/other	197.19	102.90	94.30	95.76
Other Adjustments	93.93	-	93.93	(9.53)
Mark to Market valuation on mutual Funds	(16.37)	(5.00)	(11.37)	(5.00)
Deferred tax asset/(liability)	(316.08)	(277.72)	(38.36)	(106.40)

Reconciliation of deferred tax assets/(liabilities) net

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Opening balance as of 1st April	946.72	(171.32)
Tax income/(expense) during the period recognised in profit or loss	(47.89)	(106.01)
Deferred Tax on Actuarial Valuation recognised in OCI	9.47	(0.39)
MAT Credit Entitlement	1,040.49	1,224.44
Closing balance	1,948.79	946.72

Note 7: Non-Current Assets – Others

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Capital advances	207.87	354.01
	207.87	354.01

Note 8: Inventories

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Inventories (At lower of cost or net realisable value)		
Stores, spares and packing materials	3,223.88	705.07
	3,223.88	705.07

Note 9: Trade Receivables

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade receivables	47.03	90.62
Receivable from related parties (Refer note 31)	3,392.27	4,485.67
Trade Receivables which have significant increase in credit risk	-	-
Trade receivables-Credit impaired	-	-
Total receivables	3,439.30	4,576.29

Notes to the Financial Statements

for the year ended 31st March, 2019

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current portion	3,439.30	4,576.29
Non-current portion	-	-
Break-up of security details		
Secured, considered good	-	-
Unsecured, considered good	3,439.30	4,576.29
Unsecured, considered doubtful	-	-
	3,439.30	4,576.29
Less: Allowance for doubtful debts	-	-
	3,439.30	4,576.29

Trade receivable disclosed above includes 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, 2019	As at 31st March, 2018
Within the credit period	1,918.47	2,519.00
31-60 days	883.95	2,009.29
61-90 days	280.21	3.03
91-180 days	311.73	-
> 181 days	44.94	44.97
	3,439.30	4,576.29

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

Note 10: Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balances with banks:		
In current account	83.54	80.88
In term deposit with maturity less than 3 months of inception	50.00	-
	133.54	80.88

Note 11: Bank Balances other than Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Fixed deposit given as Margin money*	13.55	12.93
DSRA (debt service reserve account)	295.71	-
	309.26	12.93

*Held as lien by bank against bank guarantee amounting to ₹ 535 Lakhs (as at 31st March, 2018, ₹ 510 Lakhs).

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 12: Current Financial Assets – Others

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Security Deposit	2.95	2.95
	2.95	2.95

Note:

Deposit of ₹ 2.95 Lakhs (Previous year ₹ 2.95 Lakhs) given against rental, gas cylinder & telephone deposit.

Note 13: Other Current Assets

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Prepaid expenses	363.24	24.67
Statutory and other receivables	610.03	148.49
Other Advances	270.10	145.98
Advance to suppliers	52.70	91.98
	1,296.07	411.12

Note: Other Advances includes unbilled revenue and advances to employees

Note 14: Share Capital

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Authorised:		
5,00,00,000 Equity Shares of ₹ 10/- each	5,000.00	5,000.00
Issued, subscribed and paid-up:		
1,50,10,000 Equity Shares of ₹ 10 each	1,501.00	1,501.00
	1,501.00	1,501.00

Note:

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Authorised Capital				
Balance at the beginning of the year	50,000,000	5,000.00	50,000,000	5,000.00
Less: Movement during the year	-	-	-	-
Balance at the end of the year	50,000,000	5,000.00	50,000,000	5,000.00
Issued, subscribed and paid-up share capital				
Balance at the beginning of the year	15,010,000	1,501.00	15,010,000	1,501.00
Less: Movement during the year	-	-	-	-
Balance at the end of the year	15,010,000	1,501.00	15,010,000	1,501.00

The Company has not issued any equity shares during the current and in the previous year.

Notes to the Financial Statements

for the year ended 31st March, 2019

(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 of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details shares held by holding Company

Name of shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Jsw Infrastructure Limited, the Holding Company alongwith its nominee shareholder	15,010,000	1,501.00	15,010,000	1,501.00

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

Particulars	As at 31st March, 2019	As at 31st March, 2018
	No. of Shares	No. of Shares
% of holding	100%	100%
JSW Infrastructure Limited, the Holding Company alongwith its nominee shareholder	15,010,000	15,010,000

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

(f) Dividend paid and proposed – Nil

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

Note 15: Other Equity

₹ in Lakhs

Particulars	Retained Earnings	Parent's ESOP Contribution (ESOP of Parent Company)	Other Comprehensive income	Total equity attributable to equity holders of the Company
Balance as at 1st April, 2018	11,445.33	160.81	1.77	11,607.91
Profit for the year	5,065.50	-	-	5,065.50
OCI for the year	-	-	-	-
- Remeasurements gains/(loss) on defined benefit plans	-	-	(17.63)	(17.63)
ESOP additions/transfer during the year (net)	-	129.70	-	129.70
Balance as at 31st March, 2019	16,510.83	290.51	(15.86)	16,785.48

₹ in Lakhs

Particulars	Retained Earnings	Parent's ESOP Contribution (ESOP of Parent Company)	Other Comprehensive income	Total equity attributable to equity holders of the Company
Balance as at 1st April, 2017	5,664.32	160.97	0.34	5,825.63
Profit for the year	5,781.01	-	-	5,781.01
OCI for the year	-	-	1.43	1.43
- Remeasurements gains/(loss) on defined benefit plans	-	-	-	-
ESOP paid during the year (net)	-	(0.16)	-	(0.16)
Balance as at 31st March, 2018	11,445.33	160.81	1.77	11,607.91

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 16: Non-Current Financial Liabilities – Borrowings

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured loans		
Term loans from banks	10,020.52	9,347.80
Unsecured loans		
Buyers Credit	10,055.91	11,942.10
	20,076.43	21,289.90

Note 16.1: Nature of security and terms of repayment

₹ in Lakhs

Lender	As at 31st March, 2019	As at 31st March, 2018	Rate of interest		Nature of security	Repayment terms
			As at 31st March, 2019	As at 31st March, 2018		
From Banks:						
Consortium Loan (Leading Bank is Yes Bank)	6,592.34	5,777.74	Floating 10.35%	Floating 9.95%	Loan is secured by way of first <i>pari passu</i> charge on entire moveable and immoveable fixed assets, current assets, receivables and proceeds both present and future including those of Project of JSW Dharamtar Port.	Repayable in quarterly installments, from December 2018 to June 2030
Buyers Credit	10,728.26	11,942.10	\$15.71 MN (3 months LIBOR plus 300 bps per annum)	\$16.2MN (LIBOR+Spread 75BP) \$2.16MN (LIBOR+Spread 26BP)	Unsecured	Repayable in quarterly installments, from March 2019 to February 2021
Ratnakar Bank	3,848.18	3,840.06	Floating 9.70%	Floating 9.70%	Loan is secured by charge over all assets of JSW Dharamtar Port subject to a minimum of 1.2X.	This loan is repayable door to door i.e. bullet repayment at the end of 10 years from the date of loan October 2015 or one quarter from payment of senior lender whichever is earlier.
Acceptances for capital goods	-	0.13	-	-	Secured loan	Repayable on demand
Total	21,168.78	21,560.03				

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 16.2: Disclosure in financial statements

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured loans		
Long-term borrowings	10,020.52	9,347.80
Current maturity of long-term borrowing	420.00	270.00
Acceptances for capital goods	-	0.13
Unsecured loans		
Long-term borrowings	10,055.91	11,942.10
Current maturity of long-term borrowing	672.35	-
	21,168.78	21,560.03

Note 17: Non-Current other Financial Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Retention money-Capital Projects	326.93	250.55
Finance lease obligations (refer note 43)	13,298.93	13,956.16
	13,625.86	14,206.71

Note 18: Non-Current Provisions

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits		
Leave Encashment (refer note 33)	53.05	31.40
	53.05	31.40

Note 19: Trade Payables

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade Payables		
Due to Micro and Small Enterprises (refer note 38)	10.12	22.98
Due to others	2,118.92	2,698.11
	2,129.04	2,721.09

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 20: Other Financial Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured Term loan from banks-current portion	420.00	270.00
Unsecured buyers credit-current portion	672.35	-
Interest accrues but not due on borrowing	100.82	88.37
Other payables	2,409.14	1,990.08
Payable for capital goods	139.13	68.86
Acceptances for capital goods	-	0.13
Employee dues	98.21	67.46
	3,839.65	2,484.90

Note 21: Other Current Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances from customers	-	10.12
Statutory Liabilities	50.06	161.80
	50.06	171.92

Note 22: Short-Term Provisions

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits		
Leave Encashment (refer note 33)	4.95	2.95
	4.95	2.95

Note 23: Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cargo Handling income	15,735.18	14,469.02
Wharfage income	132.73	88.92
Grabs Transportation Charges	40.81	34.63
Storage income	111.06	2.57
Transportation Income	334.17	-
	16,353.95	14,595.14

Note 24: Other Income

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest income	152.50	57.18
Gain on sale of investments (net)	178.74	44.47
Foreign Currency Exchange Fluctuation	-	120.88
Miscellaneous income	97.93	-
	429.17	222.53

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 25: Operating Expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Barge Mooring – Unmooring	136.63	116.05
Cargo handling expenses	3,004.15	2,708.29
Power Charges	550.00	628.73
Marine Related & Safety Expenses	127.97	18.24
Repair & maintenance	390.16	166.02
Fuel charges	139.72	121.80
Labour charges	65.59	56.87
Payloader/Excv hiring	277.76	145.72
Barge Rental, Wharfage & Transportation	663.85	307.75
Licence fees	119.02	39.48
Demurrage charges	35.84	54.44
	5,510.69	4,363.39

Note 26: Employee Benefits Expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Salaries, Wages and bonus	679.08	517.81
Staff welfare expenses	89.38	65.99
Contributions to provident and other fund	32.07	23.25
Gratuity expense (refer note 33)	7.69	18.61
ESOP expenses (refer note 42)	139.14	20.47
	947.36	646.13

Note 27: Finance Costs

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest on loans	1,872.78	1,168.39
Other finance costs (include Forex)	934.80	673.43
	2,807.58	1,841.82

*Other finance cost includes unrealised foreign exchange loss on Buyers Credit.

Note 28: Depreciation and Amortisation Expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Depreciation on Tangible Assets	1,680.99	1,544.25
Amortisation on Intangible Assets	3.71	3.94
	1,684.70	1,548.19

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 29: Other Expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Rates & taxes	5.09	23.29
Insurance	74.66	52.16
Legal, professional & consultancy charges	51.08	25.40
House keeping and horticulture expenses	36.35	24.03
Vehicle hiring & maintenance	29.40	37.96
Security charges	88.46	75.97
CSR expenses (refer note 46)	94.92	55.00
Directors sitting fees	5.62	3.14
Remuneration to auditors (refer note 37)	7.89	6.36
Loss on Sale of Fixed Assets	-	0.03
General office expenses and overheads	112.81	95.72
Foreign Exchange Loss	65.87	-
Business support services	68.97	90.20
	641.12	489.26

Note 30: Contingent Liabilities and Commitments

A. Contingent Liabilities

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Guarantees given by the Company's Bankers	535.00	510.00
(b) Disputed Income tax liability A.Y. 2017-18	12.16	-
	547.16	510.00

Notes:

- (a) The Company does not expect any reimbursement in respect of the above contingent liabilities.
- (b) Supreme Court (SC) passed a judgement dated 28th February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident under the EPF Act. There are numerous interpretative issues relating to the Supreme Court (SC) judgement including the effective date of application. The Company continues to assess any further developments in this matter for the implications on financial statements, if any.

B. Commitments

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for	2,640.39	3,119.27

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 31: 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
Masad Marine Services Private Limited	Wholly-Owned Subsidiary
JSW Infrastructure Limited	Holding Company
South West Port Limited	Fellow Subsidiary Company
JSW Jaigarh Port Limited	Fellow Subsidiary Company
JSW IP Holdings Private Limited	Other related party
JSW Steel Limited	Other related party
JSW Steel (Salav) Limited	Other related party
JSW Cement Limited	Other related party
Amba River Coke Limited	Other related party
JSW Coated Products Limited	Other related party
JSW Foundation	Other related party
Lalit Singhvi	Non-Executive Director
Sudip Mishra	Non-Executive Director
Arun Bongirwar (till 4th May, 2018)	Independent Director

Key Managerial Personnel

Name	Nature of Relation
Rashmi Ranjan Patra	Whole-time Director
Vikram Agarwal	Chief Financial Officer
Vaidehi Sail (w.e.f. 18th April, 2019)	Company Secretary

Notes to the Financial Statements

for the year ended 31st March, 2019

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, 2019	For the year ended 31st March, 2018
Purchase of Services		
JSW Infrastructure Limited	2,951.63	2,643.78
JSW IP Holdings Private Limited	18.82	15.86
JSW Steel Limited	-	2.12
JSW Foundation	3.39	-
K C Jena	2.12	-
Arun Bongirwar	3.50	-
Total	2,979.46	2,661.76
Sale of Services		
JSW Steel Limited	9,837.69	7,745.41
Amba River Coke Limited	5,043.18	6,130.13
JSW Cement Limited	602.08	567.50
Dolvi Coke Projects Limited	136.30	-
JSW Steel (Salav) Limited	32.20	-
JSW Jaigarh Port Limited	430.68	110.15
Total	16,082.13	14,553.19
Purchase of Capital Goods		
JSW Steel Limited	-	272.31
JSW Cement Limited	1.06	114.11
JSW Steel Coated Products Limited	63.89	-
Total	64.95	386.42
Reimbursement of expenses		
JSW Infrastructure Limited	138.06	210.15
JSW Jaigarh Port Limited	-	119.67
JSW Steel Limited Dolvi	61.06	-
Total	199.12	329.82
Recovery of expenses		
JSW Infrastructure Limited	96.43	-
JSW Jaigarh Port Limited	92.49	76.56
JSW IP Holdings Private Limited	0.04	-
Total	188.96	76.56
Payment of salaries, commission and perquisites		
Key Managerial Personnel		
Rashmi Ranjan Patra	paid by holding co.	paid by holding co.
Vikram Agarwal	17.41	15.91
Total	17.41	15.91

Notes to the Financial Statements

for the year ended 31st March, 2019

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, 2019	For the year ended 31st March, 2018
Refund of Security Deposit		
JSW Jaigarh Port Limited	1,208.33	748.22
Total	1,208.33	748.22
Interest expense on ICD		
South West Port Limited	-	48.35
Total	-	48.35
Finance Lease Rent		
JSW Jaigarh Port Limited	1,001.58	1,141.95
Total	1,001.58	1,141.95

Amount due to/from related parties

₹ in Lakhs

Nature of transaction/relationship	As at 31st March, 2019	As at 31st March, 2018
Accounts payable		
JSW Infrastructure Limited	987.23	917.47
JSW Steel Limited Dolvi	14.41	-
JSW Cement Limited	9.69	-
Total	1,011.33	917.47
Accounts receivable		
Amba River Coke Limited	503.62	2,183.94
JSW Coated Products Limited	37.70	37.70
JSW Steel Limited	2,252.75	1,793.37
JSW Jaigarh Port Limited	44.92	77.78
JSW Cement Limited	598.20	470.67
JSW Steel (Salav) Limited	37.57	-
Total	3,474.76	4,563.46
Advance Recoverable in Cash or Kind		
JSW Steel Coated Products Limited	0.20	-
JSW Steel (SALAV) Limited	0.22	-
Total	0.42	-
Amount Payable towards Capital Expenses		
JSW Steel Limited	-	26.25
JSW Cement Limited	-	3.26
JSW Jaigarh Port Limited (Finance Lease Obligation)	13,298.93	13,956.16
JSW Jaigarh Port Limited (Lease payable)	-	233.02
JSW Jaigarh Port Limited (Capital spares)	-	123.33
Total	13,298.93	14,342.02
Non-Current Investments		
Masad Marine Services Private Limited	1.00	1.00
Total	1.00	1.00
Security Deposit		
JSW Jaigarh Port Limited (Including deferred interest charges)	12,543.45	13,751.79
Total	12,543.45	13,751.79

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 32: Capital Work-in-Progress

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Capital Work-in-Progress and Pre-operative Expenditure during Construction Period (Pending Allocation)		
Capital Work-in-Progress includes		
Assets Under Construction	982.57	5,279.84
Pre-operative Expenses	1,243.64	1,765.96
Stock at site	-	575.02
Total - (A)	2,226.21	7,620.82
Pre-operative Expenditure during Construction Period (Pending Allocation)		
Opening Balance	1,765.96	2,386.36
Legal, professional & consultancy charges	2.50	17.88
Employee Benefits Expense	197.23	167.90
Finance Costs		
- Interest Expense	-	14.44
- Other Borrowing Costs	-	13.66
Less:		
Allocation of expense	(722.05)	(834.28)
Closing Balance	1,243.64	1,765.96

Note 33: Disclosures As Required by Indian Accounting Standard (Ind AS) 19 Employee Benefits

(a) Defined contribution plans

Amount of ₹ 24.62 Lakhs (Previous year ₹ 19.69 Lakhs) is recognised as an expense and included in Employee benefits expense as under the following defined contribution plans:

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Benefits (Contribution to):		
Provident fund	15.41	13.79
Family pension	9.22	5.90
	24.63	19.69

(b) Defined benefit plans:

Gratuity:

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

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

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

Investment Risk:

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

Notes to the Financial Statements

for the year ended 31st March, 2019

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 summaries 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, 2019	For the year ended 31st March, 2018
	(Funded)	(Funded)
Change in present value of defined benefit obligation during the year		
Present Value of defined benefit obligation at the beginning of the year	34.24	26.54
Interest cost	2.66	1.91
Current service cost	7.79	7.69
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.06	(2.01)
Actuarial (Gains)/Losses on Obligations - Due to Experience	26.52	0.11
Present Value of Benefit Obligation at the End of the Period	71.27	34.24
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	36.87	11.03
Interest Income	2.87	0.79
Contributions paid by the employer	36.14	25.13
Return on plan assets excluding interest income	(0.61)	(0.08)
Fair value of plan assets at the end of the year	75.27	36.87
Net asset/(liability) recognised in the balance sheet		
Present Value of defined benefit obligation at the end of the year	(71.27)	(34.24)
Fair value of plan assets at the end of the year	75.27	36.87
Amount recognised in the balance sheet	4.01	2.63
Net (liability)/asset - current	4.01	2.63
Net (liability)/asset - non-current	-	-
Expenses recognised in the statement of profit and loss for the year		
Current service cost	7.79	7.69
Interest cost on benefit obligation (net)	(0.20)	1.12
Total expenses included in employee benefits expense	7.59	8.81
Recognised in other comprehensive income for the year		
Actuarial (Gains)/Losses on Obligation For the Period	26.58	(1.90)
Return on Plan Assets, Excluding Interest Income	0.61	0.08
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognised in OCI	27.19	(1.82)
Maturity Analysis of Projected Benefit Obligation: From the Fund		
Within the next 12 months (next annual reporting period)	1.87	0.84
Between 2 and 5 years	25.48	10.81
Between 6 and 10 years	28.21	13.03
Sum of Years 11 & above	112.07	65.20

Notes to the Financial Statements

for the year ended 31st March, 2019

Particulars	Gratuity	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	(Funded)	(Funded)
Quantitative sensitivity analysis for significant assumption is as below:		
Increase/(decrease) on present value of defined benefits obligation at the end of the year:	71.27	34.24
One percentage point increase in discount rate	(5.86)	(3.07)
One percentage point decrease in discount rate	6.75	3.60
One percentage point increase in rate of salary Increase	6.81	3.62
One percentage point decrease in rate of salary Increase	(6.00)	(3.15)
One percentage point increase in employee turnover rate	0.76	0.43
One percentage point decrease in employee turnover rate	(0.87)	(0.51)
Usefulness and Methodology adopted for Sensitivity analysis -	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.	
Assumptions		
Actuarial assumptions		
Expected Return on Plan Assets	7.77%	7.78%
Rate of Discounting	7.77%	7.78%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.
Since investment is with insurance company, Assets are considered to be secured.		
Pension Obligation:		
Other Details		
No. of Active Members	73	51

Sensitivity Analysis Method:

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Leave Encashment:

The leave is encashable. Leave encashment occurs due to retirement, superannuation, resignation or death. Leave encashment also occurs while serving in the Company. Leave days can accumulate subject to the maximum limit of 180 days. Any leave in excess of the maximum limit of accumulation, is not considered for the valuation. The divisor to calculate monthly salary into daily salary for leave benefits is considered as 30.

Notes to the Financial Statements

for the year ended 31st March, 2019

The following table summarises the assumptions used in accounting for compensated absences

Particulars	Leave Encashment	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	(Unfunded)	(Unfunded)
Present Value of obligation (₹ in Lakhs)	58.00	34.34
Expense recognised in Statement of profit and loss (₹ in Lakhs)	25.25	12.05
Discount Rate (p.a.)	7.77%	7.78%
Salary escalation Rate (p.a.)	6.00%	6.00%

Note 34: Financial Instruments - Accounting Classifications and Fair Value Measurements

Note 34.1: Financial Instruments

Capital Risk Management

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

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

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

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

Particulars*	As at 31st March, 2019	As at 31st March, 2018
Long-term borrowings	20,076.43	21,289.90
Current maturity of long-term borrowings	1,092.35	270.00
Short-term borrowings	-	-
Less: Cash & cash equivalent	133.54	80.88
Net debt	21,035.24	21,479.02
Total equity	18,286.48	13,108.91
Gearing Ratio	1.15	1.64

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

(ii) Debt is defined as long and Short-term borrowings, as described in note no. 16 and note no. 20.

NOTE 34.2: Categories of financial instrument

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

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

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

Notes to the Financial Statements

for the year ended 31st March, 2019

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

₹ in Lakhs

		Carrying amount/Fair Value	
Particulars	Level	As at 31st March, 2019	As at 31st March, 2018
Financial assets at amortised cost:			
Trade receivables	3	3,439.30	4,576.29
Deferred Lease charges (Non-current)	3	12,566.83	13,775.17
Security deposit (at discounted value) (Non-current)	3	6,709.71	6,849.49
Cash and bank balances		133.54	80.88
Investments (Non-current)	3	1.00	1.00
Bank deposit		309.26	12.93
		23,159.64	18,446.27
Financial assets at fair value through profit or loss:			
Investments in MF	1	3,295.07	1,481.13
		3,295.07	1,481.13
Financial liabilities at amortised cost:			
Interest-bearing loans and borrowings	3	10,020.52	9,347.80
Finance lease obligations	3	13,298.93	13,956.16
Trade and other payables	3	2,118.92	2,721.09
Other financial liabilities	3	50.06	171.92
		25,488.43	26,196.97

Fair value hierarchy

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

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

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

Note 35: Financial Risk Management Objectives and Policies

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

Notes to the Financial Statements

for the year ended 31st March, 2019

Interest rate risk

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

Exposure to interest rate risk

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Floating rate borrowings	10,690	9,900

Interest rate sensitivity

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

₹ in Lakhs

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
25 bp increase – Decrease in profit	25.68	23.30
25 bp decrease – Increase in profit	25.68	23.30

Foreign currency risk

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

Particulars	\$ in Lakhs		₹ in Lakhs	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Long-term borrowings	157.14	-	10,728.26	-
Short-term borrowings	-	183.60	-	11,942.10

Foreign currency sensitivity

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

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	(69.86)	68.48	(65.69)	64.39
Increase/(decrease) in profit or loss (₹ in Lakhs)	(107.28)	107.28	(119.42)	119.42

Credit risk

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

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 3,439.30 Lakhs and ₹ 4,576.29 Lakhs as of 31st March, 2019 and 31st March, 2018 respectively. The Company has its major revenue from group companies and very small third party exposure hence no major credit risk is perceived.

Notes to the Financial Statements

for the year ended 31st March, 2019

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

	For the year ended 31st March, 2019	% of total revenue	For the year ended 31st March, 2018	% of total revenue
Revenue from group companies	15,750.13	96.31%	14,485.82	99.25%
Revenue from third parties	603.82	3.69%	109.32	0.75%
	16,353.95	100.00%	14,595.14	100.00%

Credit Risk Exposure

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

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Long-term borrowings generally mature between one to 15 years. Liquidity is reviewed on a daily basis based on weekly cash flow forecast.

As of 31st March, 2019, the Company had a working capital of ₹ 5756.28 Lakhs; As of 31st March, 2018, the Company had a working capital of ₹ 2091.20 Lakhs. The Company is confident of managing its financial obligation through short term borrowing and liquidity management.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due.

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at 31st March, 2019.

₹ in Lakhs

Particulars	Less than one year	1 to 5 years	> 5 years	Total
Term loan from Bank	420.00	2,030.00	8,240.00	10,690.00
Finance lease obligations	638.52	3,584.06	9,076.35	13,298.93
Other financial liabilities	-	326.93	-	326.93
Loan on demand (buyers credit)	598.03	10,130.23	-	10,728.26
Trade and other payables	2,118.92	-	-	2,118.92
Other financial liabilities (current)	3,839.65	-	-	3,839.65

The table below provides details regarding the remaining contractual maturities of financial liabilities at 31st March, 2018.

₹ in Lakhs

Particulars	Less than one year	1 to 5 years	> 5 years	Total
Term loan from Bank	270.00	1,470.00	8,160.00	9,900.00
Finance lease obligations	787.51	3,399.86	9,768.80	13,956.17
Other financial liabilities	-	250.55	-	250.55
Loan on demand (buyers credit)	11,942.10	-	-	11,942.10
Trade and other payables	2,721.09	-	-	2,721.09
Other financial liabilities (current)	2,214.90	-	-	2,214.90

Capital management:

Notes to the Financial Statements

for the year ended 31st March, 2019

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

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

Note 36: Disclosures as required by Indian Accounting Standard (Ind AS) 33 Earnings Per Share

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Earnings per share has been computed as under:		
Profit for the year (₹ in Lakhs)	5,065.50	5,781.01
Face value of equity share (₹)	10	10
Weighted average number of equity shares outstanding	15,010,000	15,010,000
Earnings per equity share		
Basic (₹)	33.75	38.51
Diluted (₹)	33.75	38.51

Note 37: Payment to Auditors (Exclusive of Service Tax/Gst)

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Statutory Audit Fees	4.50	3.50
Tax Audit Fees	1.00	0.55
Out of Pocket Expenses	0.28	0.11
Others	2.11	2.20
	7.89	6.36

Note 38: Details of Dues to Micro, Small and Medium Enterprises as defined under the MSME Act, 2006

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSME Act)		
Principal amount due to micro and small enterprise	10.12	22.98
Interest due on above	-	-

Note 39: Expenditure in Foreign Currency (Accrual Basis)

₹ in Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Interest on Buyers Credit	410.91	177.03
	410.91	177.03

Note 40: 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 41: The Company is yet to receive balance confirmation in respect of certain sundry creditors, advances and debtors. The management does not expect any material difference affecting the current years financial statements due to the same.

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 42: Employee Stock Option Plan (ESOP)

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

Particulars	ESOP Plan 2016		
	First Grant	Second Grant	Third Grant
	13th June, 2016	17th May, 2017	3rd July, 2018
Vesting period	1 year	3.5 years	3.5 years
Exercise period	1 year	1 year	1 year
Expected life	5.5 years	5.63 years	5 years
Weighted average Exercise price on the date of grant	₹ 897	₹ 996	₹ 869
Weighted average fair value as on grant date	₹ 516.82	₹ 685.00	₹ 585.02

Particulars	ESOP Plan 2016		
	First Grant	Second Grant	Third Grant
	13th June, 2016	17th May, 2017	3rd July, 2018
Grant Date			
Options Granted	13,877	19,124	24,491
Option Vested	10,088	19,124	24,491
Options Exercised	-	-	-
Options lapsed	4,984	-	-
Transfer arising from transfer of employees within group companies	1,195	-	-
Options bought-out during the year	-	-	-
Total number of options outstanding	10,088	19,124	24,491

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

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

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Expense arising from equity settled share based payment transactions	139.14	20.47

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

Particulars	ESOP Plan 2016		
	First Grant	Second Grant	Third Grant
	13th June, 2016	17th May, 2017	3rd July, 2018
Weighted average share price on the date of grant	₹ 997	₹ 1,245	₹ 1,086
Weighted average Exercise price on the date of grant	₹ 897	₹ 996	₹ 869
Expected volatility (%)	38.33%	37.71%	37.09%
Expected life of the option (years)	5.5 years	5.63 years	5 years
Expected dividends (%)	0%	0%	0%
Risk-free interest rate (%)	7.43%	6.98%	7.97%
Weighted average fair value as on grant date	₹ 516.82	₹ 685.00	₹ 585.02

Notes to the Financial Statements

for the year ended 31st March, 2019

The activity in the ESOP Plans for equity-settled share based payment transactions during the year ended 31st March, 2019 is set out below:

Particulars	ESOP Plan 2016		
	First Grant	Second Grant	Third Grant
	13th June, 2016	17th May, 2017	3rd July, 2018
Outstanding as at 1st April, 2017	12,322	-	-
Granted during the year	-	19,124	-
Forfeited during the year	3,429	-	-
Exercised during the year	-	-	-
Transfer arising from transfer of employees within group companies	-	-	-
Bought-out during the year	-	-	-
Outstanding as at 31st March, 2018	8,893	19,124	-
Granted during the year	-	-	24,491
Forfeited during the year	-	-	-
Exercised during the year	-	-	-
Transfer arising from transfer of employees within group companies	1,195	-	-
Bought-out during the year	-	-	-
Outstanding as at 31st March, 2019	10,088	19,124	24,491

Note 43: Finance Lease (Pursuant to Ind As-17 – Leases, the following information is disclosed)

The Company has evaluated certain arrangements for availment of cargo handling services based on facts and circumstances of arrangements, the Company identified them in the nature of lease as the fulfillment of the arrangements depend upon a specific asset and the Company has committed to obtain substantially all the service delivery capacity of the asset. The Company has recognised assets under arrangements as plant and equipment under finance leases (refer note 2). In the arrangements for availment of cargo handling services, the Company also has an option to purchase the said assets at the end of the lease term.

The minimum lease rentals as at 31st March, 2019 and the present value as at 31st March, 2019 of minimum lease payments in respect of assets acquired under finance leases are as follows:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments
Within one year	1,000.00	638.52	1,200.00	787.50
After one year but not more than five years	4,800.00	3,584.06	4,800.00	3,399.86
More than five years	10,172.34	9,076.35	11,220.00	9,768.80
Total minimum lease payments	15,972.34	13,298.93	17,220.00	13,956.16
Less: amounts representing finance charges	2,673.41	-	3,263.84	-
Present value of minimum lease payment	13,298.93	13,298.93	13,956.16	13,956.16

Note 44: Segment Reporting

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

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

Notes to the Financial Statements

for the year ended 31st March, 2019

Note 45: Imported and Indigenous Raw Materials, Components and Spare Parts Consumed

₹ in Lakhs

	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	% of total consumptions	Value	% of total consumptions	Value
Spare parts				
Imported	-	-	-	-
Indigenous	100.00	267.98	100.00	138.76
	100.00	267.98	100.00	138.76

Note 46: Corporate Social Responsibility (CSR)

₹ in Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Amount required to be spent as per Section 135 of the Act	94.92	55.00
Amount Spent during the Year		
(i) Construction/Acquisition of an asset	-	-
(ii) On purchase other than (i) above	94.92	55.00
	94.92	55.00

Note 47: The financial statements are approved for issue by the Audit Committee and by the Board of Directors on 21st May, 2019

Note 48: The additional information pursuant to Schedule III of Companies Act, 2013 is either nil or not applicable.

Note 49: Previous year's figures have been reclassified/re-grouped, where ever necessary, to conform with the current year's classification.

As per our attached report of even date

For **Shah Gupta & Co.**
Chartered Accountants
Firm's Registration No. 109574W

Vipul K Choksi
Partner
Membership No. 37606

Dated: 21st May, 2019
Place: Mumbai

For and on behalf of the Board of Directors

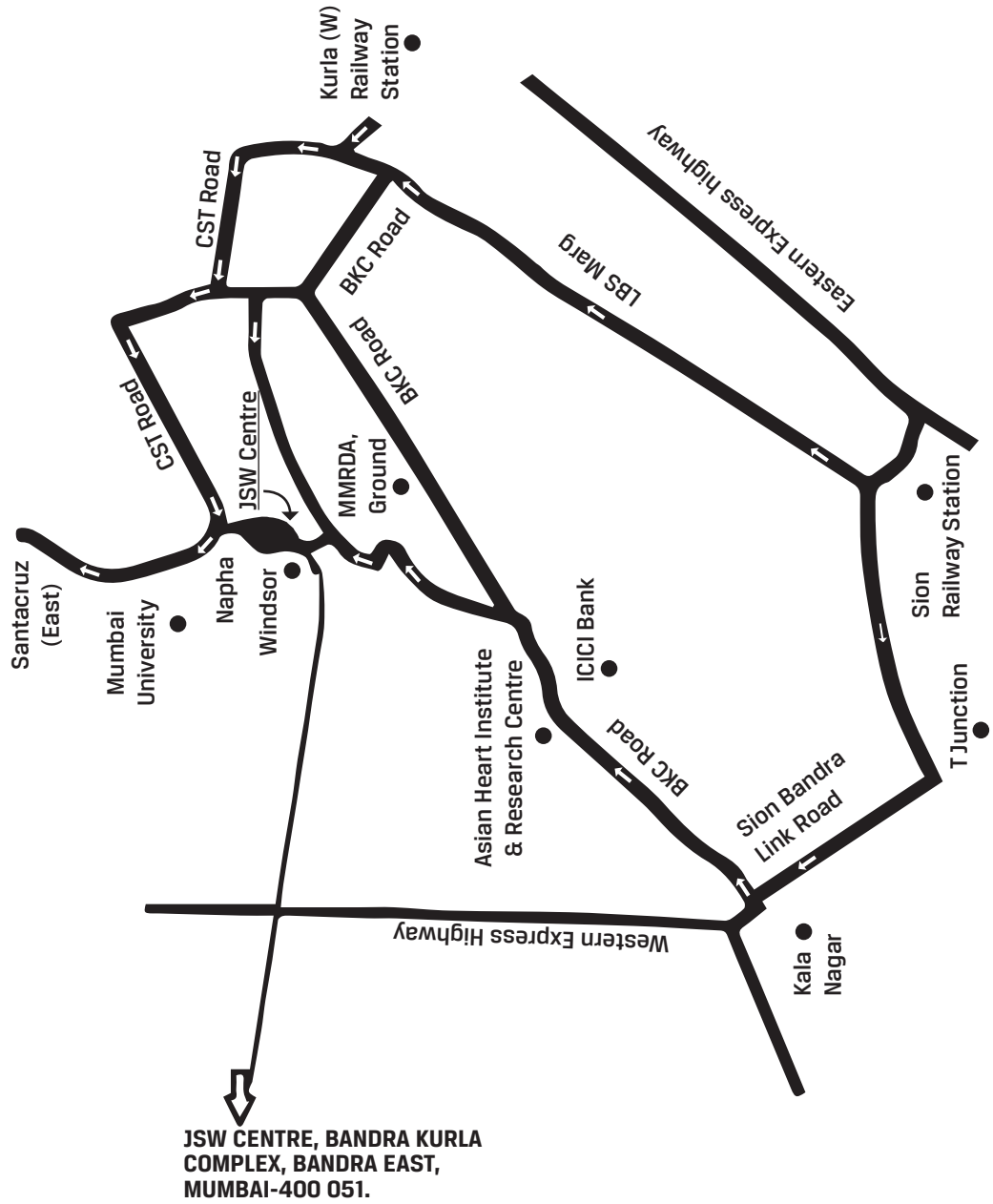
Rashmi Ranjan Patra
Whole-time Director
DIN: 03014938

Vikram Agarwal
Chief Finance Officer

Lalit Singhvi
Director
DIN: 05335938

Vaidehi Sail
Company Secretary
Membership No. 55899

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Financial Highlights

in Millions

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
	As per I GAAP	As per Ind As	As per Ind As	As per Ind As	As per Ind As
Throughput (MMT)	7.41	5.93	10.00	11.62	12.69
Operating Income	205.24	195.18	1,213.07	1,459.51	1,635.40
Other Income	4.98	0.54	38.97	22.25	42.92
Total Income	210.22	195.72	1,252.04	1,481.77	1,678.31
EBIDTA	12.16	25.86	813.32	931.89	968.40
Depreciation	1.94	4.01	7.30	154.82	168.47
Interest	0.02	0.11	17.10	184.18	280.76
PBT	10.20	21.75	788.93	592.89	519.17
Tax	4.53	7.72	270.66	14.79	12.62
PAT	5.67	14.03	518.27	578.10	506.55
Other Comprehensive Income	-	0.15	-0.11	0.14	-1.76
Total Comprehensive Income	5.67	14.18	518.16	578.24	504.79
EPS (in Rupees)	0.38	0.93	34.53	38.51	33.75
Shares in issue (nos)	1,50,10,000.00	1,50,10,000.00	1,50,10,000.00	1,50,10,000.00	1,50,10,000.00

in Millions

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
CAPITAL ACCOUNTS					
Gross Block	32.19	33.53	2,477.88	2,549.54	3,267.95
Net Block	29.88	29.62	2,466.73	2,384.01	2,933.49
Capital Work in Progress	225.62	693.58	657.46	762.08	221.12
Total Debt	215.99	692.90	1,997.51	2,155.99	2,116.88
Equity Capital	150.10	150.10	150.10	150.10	150.10
Reserves & Surplus	34.13	48.31	566.47	1,160.79	1,678.55
Shareholders' Funds	184.23	198.41	716.57	1,310.89	1,828.65

in Millions

RATIOS	2014-15	2015-16	2016-17	2017-18	2018-19
Profitability Ratios					
Operating Profit Margin	5.92%	13.25%	76.82%	55.73%	56.98%
Net Profit Margin	2.70%	7.17%	41.39%	39.01%	30.18%
Return on Capital Employed (EBIT / Cap emp)	2.55%	2.45%	28.63%	23.25%	19.69%
Return on Net Worth (PAT / Net Worth)	3.08%	7.07%	72.33%	44.10%	27.70%
Liquidity and Solvency Ratios					
Debt / Equity Ratios	1.17	3.49	2.79	1.64	1.16
Debt Coverage Ratios					
Interest coverage ratios (EBIT/Interest exp)	511.00	205.16	47.14	4.22	2.85
Book value per Share (₹)	1.23	1.32	4.77	8.73	12.18

JSW Dharamtar Port Private Limited

CIN: U93030MH2012PTC236083

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