



Annual Report
2019-20



A true visionary,
A legendary industrialist,
A great philanthropist,
A legacy that will always be cherished!



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



His life was an inspirational journey leading millions to
follow the enlightened path.
We will always carry on his values, an epitome of indomitable courage,
endurance and integrity, his legacy will always remain with us.
As we take leaps towards the future, we are fully committed to honor his
vision and keep his legacy alive & carrying it forward to greater heights.

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Forward-looking statement

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

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

FY20 Performance highlights

Standalone

₹ 70,815.62 LAKHS
GROSS TURNOVER

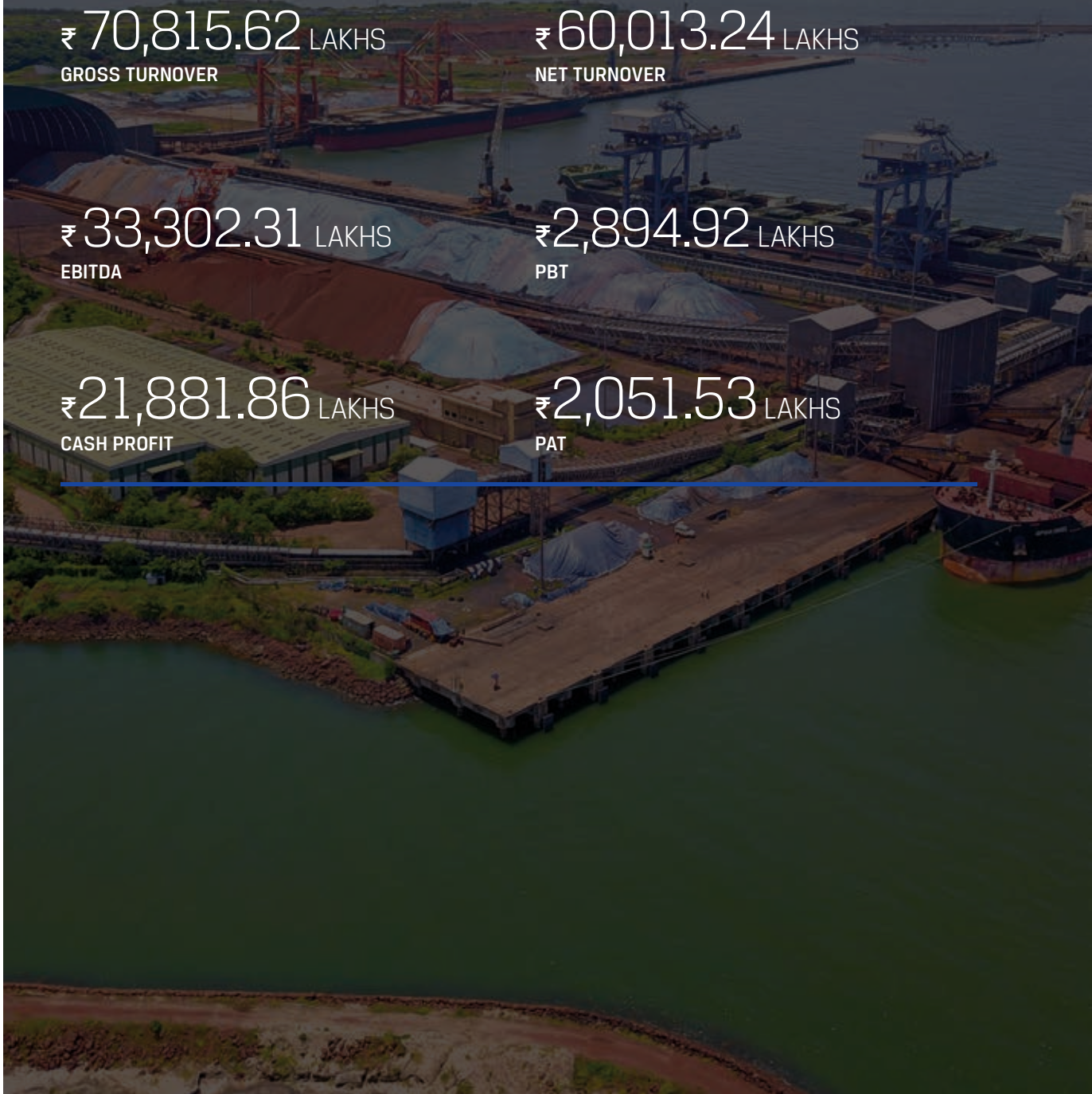
₹ 60,013.24 LAKHS
NET TURNOVER

₹ 33,302.31 LAKHS
EBITDA

₹ 2,894.92 LAKHS
PBT

₹ 21,881.86 LAKHS
CASH PROFIT

₹ 2,051.53 LAKHS
PAT



CORPORATE INFORMATION

Board of Directors

MR. NIRMAL KUMAR JAIN
Non-Executive Director

MR. ARUN MAHESHWARI
(w.e.f April 18, 2019)
Joint Managing Director

MR. K N PATEL
Non-Executive Director

MR. K C JENA
Independent Non-Executive Director

MS. AMEETA CHATTERJEE
Independent Non- Executive Director

Chief Financial Officer

MR. RAJU KUMAR DOKANIA

Company Secretary

MR. MIRAJ SHAH

Statutory Auditors

M/s. H P V S & Associates
Chartered Accountants

Bankers

Axis Bank Limited
Punjab National Bank
EXIM Bank
South Indian Bank Limited
Yes Bank Limited
Bank of India
ICICI Bank
Bank of Bahrain

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: U45205MH2007PLC166784

Registrar & Share Transfer Agent

Karvy Fintech Private Limited
Karvy Selenium, Tower – B, Plot No. 31& 32,
Gachibowli Financial District,
Nanakramguda, Serilingampally Mandal,
Hyderabad – 500 032
Tel: +91 40-6716 1500
Fax: +91 40-23001153

Works

Kumbiwadi Village, Dhamankul Bay,
Jaigarh, Ratnagiri District, Maharashtra
Tel: 02357-242551 Fax: 02357-242556

NOTICE

Notice is hereby given that the **Fourteenth Annual General Meeting** of the Shareholders of **JSW Jaigarh Port Limited** will be held on **5th August, 2020, Wednesday at 10.30 a.m.** at **JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051** to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020 and Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint the Director in place of Mr. N K Jain (DIN: 00019442), who retires by rotation and being eligible, offers himself for re-appointment.

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

Place: Mumbai
Date: 13th July, 2020

Special Business

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Rules read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Ms. Ameeta Chatterjee (DIN: 03010772), who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years with effect from 31st August, 2020 upto 30th August, 2025."

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

Sd/-
Miraj Shah
Company Secretary
(M No: 41912)

NOTES:

1. The Clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of the person(s) seeking appointment/re- appointment as Director at the Annual General Meeting, is annexed hereto.
2. A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY.
3. Shareholders / Proxies should bring their attendance slip duly filled in for attending the meeting.
4. Copies of Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies to the meeting.
5. Corporate members are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members who hold Shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.

8. The instrument(s) appointing the Proxy, if any, shall be deposited at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the Meeting and in default, the instrument of Proxy shall be treated as invalid. Proxies shall not have any right to speak at the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, be issued by the Shareholder organization.
9. Shareholders are requested to intimate the Company at its registered office, immediately of any change in their mailing address or email address in respect of equity shares held.
10. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days if the Company, during office hours, upto the date of the Annual General Meeting.
11. Members desirous of having any information regarding Accounts of the Company are requested to address their queries to the CFO–Accounts at the Company's Registered Office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400051 or e-mail the queries to infra.mumbai@jsw.in with "Query on Accounts" in the subject line, atleast 7 days before the date of the meeting, so that requisite information is made available at the meeting.

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

ITEM NO. 3

Ms. Ameeta Chatterjee (DIN: 03010772) was appointed as an Independent Director of the Company for a term of five years from 31st August, 2015.

Section 149(10) of the Act, provides that an independent director shall hold office for a term of upto five consecutive years on the Board and shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in its Board's report. Section 149(11) further provides that an independent director may hold office for upto two consecutive terms.

Ms. Ameeta Chatterjee graduated in Bachelors in Commerce from Lady Sriram College for Women, Delhi University and is a management graduate from Indian Institute of Management, Bangalore. She has over more than 20 years of corporate finance experience in developing, managing and executing infrastructure projects across sectors in India and UK. She also has a vast experience in the areas of project appraisal, credit evaluation and debt financing of infrastructure projects, mergers & acquisition, finance, tax and secretarial matters.

Based on the recommendation of the Nomination & Remuneration Committee (NRC) and the outcome of the performance evaluation carried out by the NRC and the Board on relevant parameters, the Board of Directors at its meeting held on 29th May, 2020, re-appointed Ms. Chatterjee as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years with effect from 31st August, 2020 upto 30th August, 2025 subject to the approval of the members of the Company.

As required under Clause 1.2.5 of the Secretarial Standard -2, Ms. Ameeta Chatterjee brief resume and other requisite information is annexed to and forms a part of notice.

The Company has received a notice in writing under the provision of Section 160 of the Act, from the member proposing the candidature of Ms. Ameeta Chatterjee for the office of Director, to be appointed as such under the provision of Section 149 of the Companies Act, 2013.

In view of her rich, varied & vast experience and distinguished career, the re-appointment of Ms. Ameeta Chatterjee as an Independent Director would be in the best interest of the Company.

NOTICE (CONTD.)

Except Ms. Ameeta Chatterjee, being an appointee, none of the Director and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item no. 3.

Your Directors recommend the resolution as at item no. 3 for your approval.

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

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

Place: Mumbai
Date: 13th July, 2020

Sd/-
Miraj Shah
Company Secretary
(M No: 41912)

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. Nirmal Kumar Jain | Ms. Ameeta Chatterjee |
|---|--|---|
| Category/Designation | Non-Executive Director | Independent Non-Executive Director |
| DIN | 00019442 | 03010772 |
| Age | 74 years | 47 years |
| Date of Birth | 3rd May, 1946 | 12th December, 1972 |
| Date of Original Appointment | 30th March, 2015 | 30th March, 2015 |
| Qualification | Mr. N K Jain holds a Bachelor's degree in commerce. He is a fellow member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India. | Ms. Chatterjee is a Commerce Graduate from Delhi University and a Management graduate from Indian Institute of Management, Bangalore. |
| Expertise in specific functional areas | Mr. N K Jain has over 45 years of wide experience in the areas of mergers and acquisition, finance, legal and capital restructuring. He has a keen interest in management development and human resource training. He is currently the Chairman of JSW Infrastructure Limited, holding company of the Company and serving on the Board of various JSW Group Companies. | Ms. Chatterjee has over more than 20 years of corporate finance experience in developing, managing and executing infrastructure projects across sectors in India and UK. She also has a vast experience in the areas of project appraisal, credit evaluation and debt financing of infrastructure projects, mergers & acquisition, finance, tax and secretarial matters. |
| Directorship in other Public Limited Companies# | <ul style="list-style-type: none"> > JSW Infrastructure Limited > JSW Holdings Limited > JSW Cement Limited > South West Port Limited > Epsilon Carbon Private Limited > JSW Industrial Gases Private Limited > Sapphire Airlines Private Limited | <ul style="list-style-type: none"> > Thukral Industrial Investments Private Limited > Sterling Transtel Limited > South West Port Limited > Upper Crust Builders Private Limited > Karat Diamond Private Limited > JSW Infrastructure Limited > Nippon Life India Asset Management Limited > Espandere Advisors Private Limited |

| Name of Director | Mr. Nirmal Kumar Jain | Ms. Ameeta Chatterjee |
|--|---|--|
| Chairmanship/Membership of Committees* in other Public Companies (C= Chairman/Chairperson; M= Member) | Audit Committee <ul style="list-style-type: none"> > JSW Infrastructure Limited (M) > JSW Holdings Limited (M) > JSW Cement Limited (M) > South West Port Limited (M) > JSW Industrial Gases Private Limited (M) Corporate Social Responsibility Committee <ul style="list-style-type: none"> > JSW Infrastructure Limited (M) > JSW Holdings Limited (C) > JSW Cement Limited (M) > South West Port Limited (M) > JSW Industrial Gases Private Limited (C) Nomination & Remuneration Committee <ul style="list-style-type: none"> > JSW Infrastructure Limited (M) > JSW Holdings Limited (M) > JSW Cement Limited (M) > South West Port Limited (M) > JSW Industrial Gases Private Limited (M) | Audit Committee <ul style="list-style-type: none"> > Nippon Life India Asset Management Limited (C) > South West Port Limited(M) > JSW Infrastructure Limited (C) Corporate Social Responsibility Committee <ul style="list-style-type: none"> > Nippon Life India Asset Management Limited (M) > South West Port Limited (C) > JSW Infrastructure Limited (C) Nomination & Remuneration Committee <ul style="list-style-type: none"> > Nippon Life India Asset Management Limited (M) > South West Port Limited (C) > JSW Infrastructure Limited (C) |
| No. of Equity Shares | 100 shares in the Company as a nominee shareholder | Nil |
| Relationship between Directors inter-se with other Directors and Key Managerial Personnel of the Company | None | None |
| Terms & Conditions of appointment or re-appointment | Tenure as Director is subject to retirement of Directors by rotation in terms of Section 152 of the Companies Act, 2013. | To be appointed as an Independent Director for a term of 5 years and not liable to retire by rotation. |
| Remuneration last drawn | Not Applicable | Not Applicable |
| Remuneration proposed to be paid | Sitting fees and Commission payable in accordance with the provision of Companies Act, 2013 | Sitting fees and Commission payable in accordance with the provision of Companies Act, 2013 |
| Number of Meeting of the Board attended during the year | 5/5 | 3/5 |

As per disclosure received from the Directors.

*Only three committees mainly Audit, Corporate Social Responsibility and Nomination & Remuneration Committee have been considered.

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CIN: U45205MH2007PLC166784

Place: Mumbai
Date: 13th July, 2020

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

Sd/-
Miraj Shah
Company Secretary
(M No: 41912)

DIRECTORS' REPORT

To the Members of
JSW JAIGARH PORT LIMITED,

Your Directors take pleasure in presenting the Fourteenth Annual Report of the Company, together with the Standalone Audited Financial Statement for the year ended 31st March, 2020.

1. Financial summary or highlights/performance of the Company

A) FINANCIAL RESULTS

| Particulars | (₹ In lakhs) | |
|--|--------------|-----------|
| | 2019-20 | 2018-19 |
| Revenue from Operations | 60,013.24 | 59,064.40 |
| Other Income | 3,635.60 | 2800.50 |
| Total Revenue | 63,648.84 | 61,864.90 |
| Profit before Interest, Depreciation and Tax Expenses (EBIDTA) | 33,302.31 | 33,891.45 |
| Finance costs | 17,647.90 | 15,367.33 |
| Depreciation and amortization expenses | 12,759.49 | 11,609.20 |
| Profit before Tax (PBT) | 2894.92 | 6,914.92 |
| Provision for Tax | 843.39 | (801.27) |
| Profit after Tax (PAT) | 2,051.53 | 7,716.19 |
| Other comprehensive income/(loss) for the year | (3.46) | 0.00 |
| Total Comprehensive income/(loss) for the year | 2,048.07 | 7,716.19 |
| Add: Profit brought forward from previous year | 86,342.50 | 78,626.31 |
| Amount available for Appropriation | 88,390.57 | 86,342.50 |
| Balance Carried to Balance Sheet | 88,390.57 | 86,342.50 |

B) PERFORMANCE HIGHLIGHTS

Standalone

- › The operating revenue and other income of your Company for fiscal 2020 was ₹ 63,648.84 lakhs as against ₹ 61,864.9 lakhs for fiscal 2019 showing an increase of 2.88%.
- › The EBIDTA decreased by 1.74% from ₹ 33,891.45 lakhs in fiscal 2019 to ₹ 33,302.31 lakhs in fiscal 2020.
- › Profit for the year decreased by 73.41% from ₹ 7,716.19 lakhs in fiscal 2019 to ₹ 2,051.53 lakhs in fiscal 2020.
- › The net worth of your Company increased to ₹ 129,549.95 lakhs at the end of fiscal 2020 from ₹ 127,018.59 lakhs at the end of fiscal 2019.

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.

The Company has continued its operations during lockdown due to outbreak of COVID-19 as the port service is considered as one of the essential services by the Government. Based on initial assessment, the management does not expect any medium to long-term impact on the business of the Company. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory, receivables and debt covenants basis the internal and external sources of information, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to above, and the Company's liquidity position, there is no uncertainty in meeting financial obligations over the foreseeable future.

2. Operations & Expansion Plan

Your Company continues to be engaged in the activities pertaining to Port Services and has Seven berths to handle over 45 million tons of bulk cargo.

Along with cargo volumes, the Company emphasizes diversifying the cargo handled. Jaigarh Port handled the highest volume of sugar among private ports and the second highest in India in FY 2019-20. 0.5 MMT sugar was handled.

This year Around 0.25 MMT of Neem Coated Urea (NCU) was handled by your Company with in-house modifications in existing system for online Neem Coating of Urea at Unloading and storage stage.

Jaigarh port is getting ready for giant leap to handle 80 MTPA of cargo by year 2021.

To cater the raw material requirement of 20 MMT (mainly IBRM & CBRM) by Dolvi Steel plant, Phase -III expansion of existing Material handling system consisting series of conveyors, 02 Reclaimer and 02 Ship Loaders is in progress and is expected to be operational by September 2020. Also, to cater to additional raw material requirement for steel plant expansion of capacity 5 MTPA to 10 MTPA, additional material handling facility for storing of 0.8 MMT cargo consisting of covered sheds, Conveyor system, Stacker cum Reclaimer, Ship Unloader with dedicated firefighting and dust suppression system is being established behind Berth-III A. Your Company has LNG handling capacity with India's first Floating Storage and Regasification Unit (FSRU) based LNG terminal at the port.

Considering the future growth of demand for cargo, the Company has started construction of LPG Terminal and required necessary infrastructure for handling LPG cargo at the Port. The Company is also developing land for construction of POL facilities. LPG facilities are being installed and are likely to be operational by September 2020, helping achieve an optimal mix of cargo.

Your Company has witnessed the highest volume of third-party cargo during the year under review. Key commodities contributing

to commercial cargo included coal, sugar and fertilizers. Your Company is also in discussions with leading customers to set up a petroleum, oils and lubricants (POL) terminal at Jaigarh Port, which will further diversify its third-party cargo base. Additional investments are being made to handle third-party cargo, address connectivity issues and grow operations to accommodate large ships at the port.

3. Transfer to Reserves

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

4. Finance

Your Company had outstanding debt of ₹ 160,263.72 lakhs as on 31st March, 2020 from lenders.

5. Dividend

Your Directors have deemed it prudent not to recommend any dividend on equity shares for the year ended 31st March, 2020 in order to conserve the resources for future growth.

6. Change in Capital Structure

SHARE CAPITAL

The equity share capital of the Company stands at ₹ 40,050 lakhs as on 31st March, 2020. 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

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

The performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended 31st March, 2020 is attached as Annexure A in the prescribed format AOC-1 and forms part of the Board's report.

DIRECTORS' REPORT (CONTD.)

8. Subsidiary Companies

JAIGARH DIGNI RAIL LIMITED. (JDRL)

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

9. Deposits

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

10. Material Changes and Commitments

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

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

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

12. Particulars of Loans, Guarantees, Investments and Securities

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

13. Particulars of Contracts or Arrangement with Related Parties

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and hence provisions of Section 188 of the Companies Act, 2013 are not applicable.

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

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

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

During the year under review, there were no special resolution passed pursuant to the provisions of Section 67(3) of the Companies Act, 2013 and hence no information as required pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

15. Credit Rating

During the year, the Company has subjected itself for a re-rating. CARE has assigned "CARE A+ (A plus) rating to the long term loan facilities of the Company and CARE A1+ (A One Plus) rating to the short term non fund based facilities of the Company.

16. Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. N K Jain (DIN: 00019442) retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible offers himself for reappointment.

During the year under review, Mr. Arun Maheshwari (DIN: 01380000) was appointed as Jt. Managing

Director of the Company, for a period of 5 years with effect from 18th April, 2019.

None of the Managerial Personnel except Mr. Arun Maheshwari (DIN: 01380000), Jt. Managing Director who is in receipt of remuneration from the South West Port Limited, a subsidiary of the Company's holding company, where he is holding the position of President.

During the year under review, Capt. BVJK Sharma (DIN: 00017758) had resigned from the Directorship of the Company with effect from 17th April, 2019.

The Board of Directors has recommended the reappointment of Ms. Ameeta Chatterjee (DIN:03010772) as the Independent Director on the Board of the Company period further tenure of 5 years with effect 31st August, 2020.

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

The Board recommends the appointment/re-appointment of above Directors for your approval

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

17. Corporate Social Responsibility (CSR) Initiative

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

STRATEGY

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

THEMATIC AREAS

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

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

As per the Companies Act, 2013, all Companies having net worth of ₹ 500 crore or more, or turnover ₹ 1000 crore or more or a net profit of ₹ 5 crores or more during the financial year are required 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 ₹ 258 lakhs towards CSR activities. Your Company has successfully spent ₹ 266.65 lakhs towards the CSR activities for FY 2019-2020.

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

DIRECTORS' REPORT (CONTD.)

18. Disclosures related to Board, Committees and Policies**A) BOARD MEETINGS**

The Board of Directors comprised of the following members:

| Name | Designation |
|-----------------------|------------------------|
| Mr. N K Jain | Non-Executive Director |
| Mr. Arun Maheshwari | Jt. Managing Director |
| Mr. K N Patel | Non-Executive Director |
| Mr. K C Jena | Independent Director |
| Ms. Ameeta Chatterjee | Independent Director |

The Board of Directors met four times during the financial year ended 31st March, 2020 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. | 18th April, 2019 |
| 2. | 21st May, 2019 |
| 3. | 12th July, 2019 |
| 4. | 4th November, 2019 |
| 5. | 30th January, 2020 |

B) COMMITTEES AND POLICIES**1. Audit Committee**

The Audit Committee is comprised of three members as follows:

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

The Audit Committee met four times during the financial year ended 31st March, 2020 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

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

| Sr. No | Date of Board Meeting |
|--------|-----------------------|
| 1. | 21st May, 2019 |
| 2. | 12th July, 2019 |
| 3. | 4th November, 2019 |
| 4. | 30th January, 2020 |

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

2. Nomination and Remuneration Committee

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

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

The Nomination and Remuneration Committee met two times during the financial year ended 31st March, 2020 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

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

| Sr. No | Date of Nomination and Remuneration Committee Meeting |
|--------|---|
| 1. | 18th April, 2019 |
| 2. | 30th January, 2020 |

Your Company's Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, and pursuant to recommendation of Nomination and Remuneration Committee formulated the policy relating to appointment and remuneration for Directors, Key Managerial Personnel and other employees which is available on our website at www.jsw.in

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

3. Corporate Social Responsibility (CSR) Committee

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

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

The Corporate Social Responsibility Committee met three times during the financial year ended 31st March, 2020 in accordance with the

provisions of the Companies Act, 2013 and rules made thereunder.

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

| Sr. No | Date of CSR Committee Meeting |
|--------|-------------------------------|
| 1. | 18th April, 2019 |
| 2. | 21st May, 2019 |
| 3. | 30th January, 2020 |

The CSR Policy of the Company is available on the Company's web-site at www.jsw.in

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

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

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

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

Mr. Arun Maheshwari, Jt. Managing Director is designated as the Ethics Counsellor.

The Whistle Blower Policy and Vigil Mechanism is available on the Company's web-site at www.jsw.in

5. Risk Management Policy

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

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

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

- a) Intended risks, like for growth, are taken prudently so as to plan for the best and be prepared for the worst through de-risking strategies clearly defined priorities across strategic purposes, consistent rationale for resource allocation, stress testing on what if kind of scenarios on critical factors even if source is indirect, probability is uncertain and impact is immeasurable, better anticipation, flexibility and due diligence.
- b) Execution of decided plans is handled with action focus.
- c) Unintended risks like related to performance, operations, compliance, systems, incident, process and transaction are avoided, mitigated, transferred (like in insurance), shared (like through sub-contracting) or probability, or impact thereof is reduced through tactical and executive management, code of conduct, competency building, policies, processes, inbuilt systems controls, MIS, internal audit reviews etc. No threshold limits are defined as objective will be to do the best possible.
- d) Knowable unknown risks in fast changing Volatile, Uncertain, Complex and Ambiguous (VUCA) conditions are managed through timely sensitisation of markets trends, shifts and stakeholders sentiments.
- e) Adequate provision is made for not knowable unknown risks.
- f) Overall risk exposure of present and future risks remains within Risk capacity.

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

DIRECTORS' REPORT (CONTD.)

The Risk Management Policy is available on the Company's web-site at www.jsw.in

19. Annual Evaluation of Directors, Committee and Board

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

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

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

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

20. Internal Control Systems

INTERNAL CONTROL AND INTERNAL AUDIT

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 Internal Audit & Assurance Services of JSW group consists of qualified finance professionals, engineers and SAP experienced executives is availed by your Company. They carry out extensive audits throughout the year, across all functional areas and submit their reports to the

Audit Committee about compliance with internal controls and efficiency and effectiveness of operations, and key processes and risks. The internal auditor reports to the Audit Committee comprising Independent Directors. 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 which has been largely facilitated by ERP implementation across the organisation.

21. Directors' Responsibility Statement

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

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

22. Auditors and Auditors Reports

A. STATUTORY AUDITORS

The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2020 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark.

M/s. HPVS & Associates, Chartered Accountants, the Auditors of the Company, have been appointed by the shareholders at the previous Annual General Meeting dated 31st July, 2017 until the conclusion of 16th Annual General Meeting.

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.

They have confirmed their eligibility to the effect that their appointment would be within the prescribed limits under the Act and that they are not disqualified for the continuance of their appointment.

B. SECRETARIAL AUDITOR

The Board had appointed M/s. Sunil Agarwal & Co., Company Secretaries to issue Secretarial Audit Report for the financial year 2019-20. Secretarial Audit Report issued by M/s. Sunil Agarwal & Co., Company Secretaries in Form MR-3 for the financial year 2019-20 forms part to this report. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013 and is annexed as Annexure D.

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

23. Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2020 made under the provisions of Section 92(3) of the Act is attached as Annexure E which forms part of this Report and is also available on the website of the Company at www.jsw.in

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

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

- 1) Part A of the Rules, pertaining to conservation of energy are applicable and Part B, pertaining to 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 detailed in the notes forming part of financial statements.
- 3) **Area Lighting:** Replaced 295 HPSV lamps of High Mast with 210 Nos LED light fittings contributing savings of 254880 KWH per year.
- 4) **Equipment Lighting:** For Ship Unloader & Stacker cum Reclaimer, a total of 68 CFL lights were replaced with 68 LED fittings in Office buildings contributing saving of 100000 KWH per year.
- 5) **Covered Go down Lighting:** A total of 115 HPSV lights were replaced with 95 LED fittings contributing saving of 110000 KWH per year.

DIRECTORS' REPORT (CONTD.)

- 6) **Foreign Exchange Earnings and Outgo:**
Total foreign exchange used and earned during the year

| Particulars | ₹ in lakhs) | |
|-------------------------|-------------|------------|
| | FY 2019-20 | FY 2018-19 |
| Foreign Exchange earned | 11,459.91 | 13,668.41 |
| Foreign Exchange used | 19,774.95 | 3,190.38 |

25. Environment and Pollution Control

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

Following activities are carried out for conservation of Environment:

- 1) Dust suppression system is installed at all transfer points in the conveying system and the ship unloaders to limit residual dust in the discharge area.
- 2) Water sprinkling system and windshields installed in stack yards to suppress dust generation during stacking and reclaiming operations and to minimise windblown dust from the stockyard.
- 3) The Company has constructed RCC Garland drains around the stack yards for collection of run-off water from spraying system to the dump pond.
- 4) The Company has deployed dedicated Truck mounted water spraying system for dust suppression and Road sweeping machines are used for controlling fugitive emission generated from vehicular movement.
- 5) The work of green belt development within the port area is carried out as per the Green belt development plan. In the year 2019-20 the Company has planted 11,587 saplings which covers around 13,868 sq. m area.

- 6) The Company has two Covered Sheds for storage of Coal and Iron Ore to maintain the moisture contents and arrest the fines getting airborne.
- 7) The Company has deployed MoEF approved consultant for carrying out Environmental Monitoring. Samples are collected periodically to monitor and safeguard the environment.
- 8) The Company has successfully commissioned 60 cu m/day capacity sewage treatment plant (STP) during the year.
- 9) The Company has developed compound / boundary side patrolling road as per compliance of ISPS code.
- 10) The Company has constructed 2 new warehouses to enhance the storage capacity for cargo like sugar & fertilizers.
- 11) As per the CMFRI report on "Assessment of Impact on Fish Production due to development of the Jaigarh Port" at village Jaigarh says that the impact of port operation on flora & fauna has been negligible.
- 12) The Company has constructed Road shoulder paving to minimize the impact of dust emission on road sides due to vehicles
- 13) The Company has commissioned two new hoppers for unloading of dry bulk cargo on jetty which help to reduce the impact of dust pollution.

26. Prevention of Sexual Harassment at Workplace

As per the requirement of The Sexual Harassment of Women at Workplace Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted

Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

27. Appreciation and Acknowledgements

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

Your Directors also wish to place on record their gratitude for the co-operation and guidance provided by Maharashtra Maritime Board,

Ministry of Railways and the Governments of Maharashtra and other regulatory authorities.

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

For and on behalf of the Board of Directors

Mr. Arun Maheshwari

Jt. Managing Director

(DIN: 01380000)

N K Jain

Director

(DIN:00019442)

Place: Mumbai

Date: 29th May, 2020

DIRECTORS' REPORT (CONTD.)

ANNEXURE A
FORM NO. AOC-1
PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES
(Information in respect of each Subsidiary/Associate Companies/Joint Venture Companies)

| 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 | ₹ in lakhs except % of shareholding | | |
|--------|----------------------------|----------------------|---------------|-------------------------|----------------------|--------------|-------------------|-------------|----------|------------------------|-------------------------------------|-----------------------|-------------------|
| | | | | | | | | | | | Provision for taxation | Profit after taxation | % of shareholding |
| 1. | Jaigarh Digni Rail Limited | 31st March, 2020 | INR | 10,000 | 168.15 | 11336.89 | 1168.74 | 190.33 | 0 | 13.51 | 11.30 | 2.21 | 63% |

Notes:

- Proposed Dividend from any of the subsidiaries is Nil
- Name of Subsidiaries which are yet to commence operations:
- Jaigarh Digni Rail Limited

For and on behalf of the Board of Directors

Arun Maheshwari
(DIN: 01380000)
Jt. Managing Director

N K Jain
(DIN: 00019442)
Director

Raju Dokania
(PAN: AHYPD2740F)
Chief Financial Officer

Miraj Shah
(M No: A41912)
Company Secretary

Place: Mumbai

Date: 29th May, 2020

ANNEXURE B

FORM NO. AOC-2

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

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARM'S LENGTH TRANSACTIONS UNDER THIRD PROVISIO THERETO

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

There were no contracts, arrangements, or transactions entered into during the year ended 31st March, 2020, which were not at arm's length basis.

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

| Name of Related Party | Nature of Relationship | Duration of Contract | Salient Terms | Date of Approval by the Board/ Audit Committee | Amount paid as advance, if any. |
|--|------------------------|----------------------|-------------------------|--|---------------------------------|
| Nature of Contract | | | | | |
| Purchase of Goods & Services* | | | | | |
| JSW Infrastructure Limited | Holding Company | 12 months | Cargo handling services | Approved by Audit Committee of Board of Directors of the Company on 08th February, 2019. | - |
| JSW Steel Coated Product Limited | Others | 12 months | Purchase of Goods | | - |
| JSW IP Holdings Limited | Others | 12 months | Brand Royalty Fees | | - |
| South West Port Limited | Fellow Subsidiary | 12 Months | Services rendered | | - |
| JSW Dharamtar Port Private Limited | Fellow Subsidiary | 12 Months | Cargo handling services | | - |
| JSW Cement Limited | Others | 12 Months | Purchase of Goods | | - |
| JSW Steel Limited | Others | 12 Months | Purchase of Goods | | - |
| Sales of goods and services* | | | | | |
| JSW Energy Limited | Others | 12 Months | Cargo handling services | - | |
| JSW Steel Limited | Others | 12 Months | Cargo handling services | - | |
| Amba River Coke Limited | Others | 12 Months | Cargo handling services | - | |
| Interest Expense | | | | | |
| South West Port Limited | Fellow Subsidiary | 12 Months | Interest | - | |
| Lease Rent Receipts/Payment | | | | | |
| JSW Dharamtar Port Private Limited | Fellow Subsidiary | 12 Months | Lease Rent | - | |
| South West Port Limited | Fellow Subsidiary | 12 Months | Lease Rent | - | |

*Purchase/Sale of Goods & Services is including goods & service tax.

**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: 29th May, 2020

Arun Maheshwari
(DIN: 01380000)
Jt. Managing Director

N K Jain
(DIN: 00019442)
Director

DIRECTORS' REPORT (CONTD.)

ANNEXURE C

ANNUAL REPORT ON CSR ACTIVITIES

| Particulars | Amount (₹ In lakhs) |
|--|---------------------|
| Average net profit of the Company for last three financial years | 12879 |
| Prescribed CSR Expenditure (2% of the average net profit) | 258 |
| Details of CSR Expenditure during the financial year: | |
| Total amount to be spent for the financial year | 258 |
| Amount Spent | 266.65 |
| Amount Unspent | - |
| Excess Spent | 8.65 |

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

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|---------|--|--|--|---------------|--------------|------------------------|---|
| Sr. No. | CSR Project or Activity Identified | Sector in which the project is covered | Locality | Amount Outlay | Amount Spent | Cumulative Expenditure | Amount Spent: Direct or through Implementing Agency |
| 1 | Ambulance Service on State Highway Nivali - Jaigad Road | Improving Living Conditions | 19 Villages of State Highway from Nivali to Jaigad 37 Cases handled | 12.70 | 12.70 | 12.70 | Direct |
| 2 | Hiring of water tankers for community in acute condition/ ice plant | | Jaigarh, Sakhar Mohalla, Nandiwade, Padve, Kudli, Jambhari, Warvade | | | | Direct to contractor-Water supplier |
| 3 | Counselling for truck drivers on HIV/ AIDS, Counselling on drug addiction, Oral check-up for cancer identification. Eye check-up camp, general health check-up camp, camps through specialized medical doctors, medical financial assistance for needy and poor families | | Jaigarh, Sakhar Mohalla, Nandiwade, Kasari, Sandelavgan, Chafe, Saitawade, Miravane, Ori, Chafe, JSW JPL Pre gate truckers | | | | Direct to the Doctors, counsellors |
| 4 | Monitoring of various health related activities, documentation and field visit | | JSW JPL Pre gate truckers, Jaigad Panchkroshi | | | | Direct |
| 5 | Crab fattening programme for income enhancement programme, Support for cage fishing project | Promoting Social Development | Jaigarh Panchkroshi | 85.95 | 85.58 | 85.58 | Direct |
| 6 | Career guidance programme- 6 schools, training on mental health for 9 schools, Menopause counselling to SHG members and life skill education at 9 schools | | Jaigarh Panchkroshi | | | | Direct |
| 7 | Support for additional teachers at ZP primary schools | | Jaigarh, Nandiwade | | | | Direct |
| 8 | Personality development camp, Promotion of cultural activities at schools and AWC | | Jaigarh, Sakharmohalla | | | | Through NGO |
| 9 | School and AWC repairing, thematic painting and digital education in schools and AWC | | Jaigarh, Sakharmohalla, Nandiwade | | | | Direct to vendor |
| 10 | JSW kids toys Corner at five Schools and two AWC in Jaigarh and Sakhar mohalla | | Jaigarh | | | | Direct to vendor |
| 11 | Compound wall /gabion wall at Sakhari urdu school | | Sakhar Mohalla | | | | Direct |

| (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 |
| 12 | Construction of two rooms for Warvade school and Khandala english medium school with computer lab | | Watad Khandala | | | | Direct |
| 13 | Monitoring of various employability activities, educational activities etc. and field visit | | Jaigarh | | | | Direct |
| 14 | Infrastructure support at food stall for income generation activity through SHG - Pahel and Annapurna group | Addressing social Inequalities | Jaigarh and Sakhar mohalla village | 17.09 | 26.13 | 26.13 | Direct |
| 15 | Encouragement for sports activities up to national level | Promotion of Sports | Jaigarh and Ratnagiri District | 2.78 | 2.78 | 2.78 | Direct |
| 16 | Nivali - Jaigarh road miscellaneous community works | Rural Development project | Grampanchayat Khandala, Ori, Lajul, Jakadevi, Tarval | 106.46 | 106.40 | 106.40 | Direct to Gram Panchayat |
| 17 | Fish market, refrigeration centre and ice plant maintenance | | Jaigarh | | | | Direct to vendor |
| 18 | Provision of approach road work at Sadewadi and others | | Jaigarh and Sakharmohalla | | | | Direct |
| 19 | LED lights placement from Jaigarh fort to Jaigarh Port / jetty | | Jaigarh and Sakharmohalla | | | | Direct to vendor |
| 20 | Separate drinking water tank to be built for Pethwadi, water hydrology survey | | Jaigarh, Sakhrmohalla, Nandiwade, Kasari, Sandelavgan, Chaferi, | | | | Direct |
| 21 | Construction of new water tank (1 lakhs Ltr.) for Sakhar Mohalla, LED lights etc. | | Jaigarh and Sakharmohalla | | | | Direct to vendor |
| 22 | New wire for all electricity poles in the village Sakhar mohalla | | Sakharmohalla | | | | Direct to GP |
| 23 | Road construction at Nandivade - Main road of Bagwadi to House of Dr.Jog | | Nandivade | | | | Direct to contractor |
| 24 | Computer and printer for Grampanchayat Jaigarh and other schools | | Jaigarh | | | | Direct to vendor |
| 25 | Mobility support for monitoring of CSR work in the field | | Jaigarh | | | | Direct to vendor |
| 26 | Swachh Bharat - Ganpatipule Beach cleaning etc. | Swachh Bharat Abhiyan | Ganpatipule | 20.96 | 20.96 | 20.96 | Direct |
| 27 | Waste management at Jaigarh and Sakharmohalla village | | Jaigarh, Padave, Khandala | | | | Direct |
| 28 | JSW foundation capacity building and administrative cost of Jaigarh CSR field staff | Administration and Contingency | JSW Foundation | 12.10 | 12.10 | 12.10 | Direct |
| TOTAL | | | | 258 | 266.65 | 266.65 | |

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.

Place: Mumbai
Date: 29th May, 2020

Kalyan Coomar Jena
(DIN: 01833487)
Chairman - CSR Committee

Arun Maheshwari
(DIN: 01380000)
Jt. Managing Director

DIRECTORS' REPORT (CONTD.)

ANNEXURE D

SECRETARIAL AUDIT REPORT

To
The Members
JSW Jaigarh Port Limited

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

1. As a result of countrywide lockdown due to COVID-19 outbreak I could not physically verify the secretarial and other records of the Company to carry out the Secretarial Audit for the year ended 31st March, 2020. However, I have conducted audit process and verified the information, records and documents maintained by the Company which were provided to me through electronic mode in PDF format for the year ended 31st March, 2020.
2. Maintenance of Secretarial Records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, I believe that the processes and practices, I followed provide reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records and books of accounts of the company. I relied on the statutory report provided by the Statutory Auditor as well as Internal Auditor of the company for the financial year ending 31st March, 2020.
5. I have obtained the management representation wherever required about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provision and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.
7. The secretarial audit reports neither an assurance as to the future liability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Sunil Agarwal & Co.**
Company Secretaries

Sd/-
Sunil Agarwal
(Proprietor)
FCS No. 8706
C.P. No. 3286
UDIN F008706B000286489

Place: Mumbai
Date: 29th May, 2020

FORM NO. MR-3**Secretarial Audit Report for the
Financial Year Ended 31st March, 2020****(Pursuant to section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)**

To,
The Members of
JSW Jaigarh Port Limited

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

Based on our verifications of the Company's books, papers, minute books, forms and returns led and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns led and other records made available to me and maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period as the company is unlisted public company)
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period as the company is unlisted public company)
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time; (Not applicable to the Company during the audit period as the company is unlisted public company)
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period as the company is unlisted public company)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period as the company is unlisted public company)

DIRECTORS' REPORT (CONTD.)

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period as the company is unlisted public company)
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period as the company is unlisted public company)

and

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period as the company is unlisted public company)

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

1. The Indian Ports Act,1908
2. Inland Vessels Act,1917
3. Indian Contract Act, 1872
4. Maharashtra Tenancy and Agricultural Land Act, 1948
5. Contract Labour (Regulation and Abolition) Act 1970
6. Bombay(Maharashtra) Shop & Establishment Act, 1948

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited

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

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice was given to all directors to schedule the Board Meetings, committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings were taken unanimously wherever it was warranted.

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

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

For **Sunil Agarwal & Co.**
Company Secretaries

Sd/-
Sunil Agarwal
(Proprietor)
FCS No. 8706
C.P. No. 3286
UDIN F008706B000286489

Place: Mumbai
Date: 29th May, 2020

ANNEXURE E

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | |
|--|---|
| CIN | : U45205MH2007PLC166784 |
| Registration Date | : 6th January, 2007 |
| Name of the Company | : JSW Jaigarh Port Limited |
| Category / Sub-Category of the Company | : Public Limited |
| Address of the Registered office and contact details | : JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai 400051 |
| Whether listed company | : No |
| Name, Address and Contact details of Registrar and Transfer Agent, if any: | : KFin Technologies Private Limited Karvy Selenium, Tower- B, Plot No 31 & 32., Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad, 500032 Tel: 040-33211500, Fax: 040-23001153 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sl. No. | Name and address of the Company | CIN / GLN | Holding / subsidiary / associate | % of shares held | Applicable section |
|---------|---------------------------------|-----------------------|----------------------------------|------------------|--------------------|
| 1 | JSW Infrastructure Limited | U45200MH2006PLC161268 | Holding Company | 100 | Section 2(46) |
| 2 | Jaigarh Digni Rail Limited | U60232MH2015PLC264711 | Subsidiary Company | 63 | Section 2(87) |

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

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. | 40,04,99,400 | 600 | 40,05,00,000 | 100 | 40,04,99,400 | 600 | 40,05,00,000 | 100 | 0.00 |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other (Trust) | - | - | - | - | - | - | - | - | - |
| Sub-total(A)(1): | 40,04,99,400 | 600 | 40,05,00,000 | 100 | 40,04,99,400 | 600 | 40,05,00,000 | 100 | 0.00 |

DIRECTORS' REPORT (CONTD.)

| 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 / FI | - | - | - | - | - | - | - | - | - |
| e) Any other | - | - | - | - | - | - | - | - | - |
| Sub-total (A)(2): | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 40,04,99,400 | 600 | 40,05,00,000 | 100 | 40,04,99,400 | 600 | 40,05,00,000 | 100 | 0.00 |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) 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 lakhs | - | - | - | - | - | - | - | - | - |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakhs | - | - | - | - | - | - | - | - | - |
| c) Others (Trust) | - | - | - | - | - | - | - | - | - |
| Sub-total(B)(2): | - | - | - | - | - | - | - | - | - |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | - | - | - | - | - | - | - | - | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 40,04,99,400 | 600 | 40,05,00,000 | 100 | 40,04,99,400 | 600 | 40,05,00,000 | 100 | 0.00 |

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

II. SHAREHOLDING OF PROMOTERS:

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|---------|-----------------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | |
| 1 | *JSW Infrastructure Limited | 40,05,00,000 | 100 | - | 40,05,00,000 | 100 | - | 0.00 |
| | Total | 40,05,00,000 | 100 | - | 40,05,00,000 | 100 | - | 0.00 |

* Along with Nominees

III. CHANGE IN PROMOTERS' SHAREHOLDING:

| 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 | 40,05,00,000 | 100 | 40,05,00,000 | 100 |
| | Purchase/sale during the year | - | - | - | - |
| | At the End of the year | 40,05,00,000 | 100 | 40,05,00,000 | 100 |

* Along with Nominees

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

| Sl. No. | For each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total Shares of the Company |
| 1 | At the beginning of the year | - | - | - | - |
| | Purchase/Sale during the year | - | - | - | - |
| | At the End of the year (or on the date of separation, if separated during the year) | - | - | - | - |

V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

| Sl. No. | For each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total Shares of the Company |
| 1 | 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. Hence no disclosure is needed

DIRECTORS' REPORT (CONTD.)

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 | 141,343.91 | 6,125.00 | - | 147,468.91 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 544.35 | 317.72 | - | 862.07 |
| Total (i+ii+iii) | 141,888.26 | 6,442.72 | - | 148,330.98 |
| Change in Indebtedness during the financial year | | | | |
| Addition | 7,913.58 | 10,048.38 | - | 17,961.96 |
| Reduction/Repayment | (4,542.15) | (625.00) | - | (5,167.15) |
| Interest Adjustment | 499.73 | 27.96 | - | 527.69 |
| Net Change | 3,871.16 | 9,451.34 | - | 13,322.50 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 144,715.34 | 15,548.38 | - | 160,263.72 |
| ii) Interest due but not paid | - | 254.93 | - | 254.93 |
| iii) Interest accrued but not due | 946.49 | - | - | 946.49 |
| Total (i+ii+iii) | 145,661.82 | 15,803.31 | - | 161,465.13 |

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. Arun Maheshwari (Jt. Managing Director) (w.e.f 18th April, 2019) | *Capt. BVJK Sharma (Jt. Managing Director) (upto 17th April, 2019) |
|---------|---|---|--|
| 1 | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 26,486,945 | 25,627,121 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 37,760 | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - |
| 2 | Stock Option | - | - |
| 3 | Sweat Equity | - | - |
| 4 | Commission | - | - |
| | - as % of profit | - | - |
| | - others, specify | - | - |
| 5 | Employers Contribution towards PF | 989,215 | - |
| | Total (A) | 27,513,920 | 25,627,121 |
| | Ceiling as per the Act | *NA | *NA |

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

B. REMUNERATION TO OTHER DIRECTORS

| Sl. No. | Particulars of Remuneration | Name of Directors | | | Total Amount (₹) |
|---------|--|-------------------|-----------------|-----------------------|------------------|
| | | Mr. N K Jain | Mr. K C Jena | Ms. Ameeta Chatterjee | |
| 1 | Independent Directors | | | | |
| | Fee for attending board / committee meetings | - | 2,80,000 | 1,60,000 | 4,40,000 |
| | Commission | - | 5,00,000 | 5,00,000 | 10,00,000 |
| | Others | - | - | - | - |
| | Total (1) | - | 7,80,000 | 6,60,000 | 14,40,000 |
| 2. | Other Non-Executive Directors | | | | |
| | Fee for attending board / committee meetings | 2,80,000 | - | - | 2,80,000 |
| | Commission | 5,00,000 | - | - | 5,00,000 |
| | Others | - | - | - | - |
| | Total (2) | 7,80,000 | - | - | 7,80,000 |
| | Total (B)=(1+2) | 7,80,000 | 7,80,000 | 6,60,000 | 22,20,000 |
| | Total Managerial Remuneration | | | | NA |
| | Overall Ceiling as per the Act | | | | NA |

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

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | Total Amount (₹) |
|---------|---|-------------------------------------|--|------------------|
| | | Company Secretary* (Mr. Miraj Shah) | Chief Financial Officer (Mr. Raju Kumar Dokania) | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 7,93,620 | 30,79,551 | 38,73,171 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | - | - | - |
| | - as % of profit | - | - | - |
| | - others, specify | - | - | - |
| 5 | Employers Contribution towards PF | 21,900 | 1,18,113 | 1,40,013 |
| | Total | 8,15,520 | 31,97,664 | 40,13,184 |

*Mr. Miraj Shah, Company Secretary is in receipt of remuneration from subsidiary company of the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no Penalties/ Punishment/ Compounding of Offences during the year ended 31st March, 2020

INDEPENDENT AUDITORS' REPORT

To the Members of
JSW JAIGARH PORT LIMITED,

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of JSW Jaigarh Port Limited ("the Company"), which comprise the standalone balance sheet as at 31st March, 2020, and the standalone statement of Profit and Loss (including other comprehensive income), standalone statement of cash flows and standalone statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, its profit including comprehensive income, its cash flow and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the 'Audit of the Standalone

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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the financial year ended 31st March, 2020. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the Key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

| The Key Audit Matter | Auditor's Response |
|---|---|
| <p>Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Companies Act 2013 (as described in note 34 of the standalone financial statements)</p> | |
| <p>We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the standalone financial statements as a key audit matter due to:</p> <ul style="list-style-type: none"> › the significance of transactions with related parties during the year ended 31st March, 2020. › Related party transactions are subject to the compliance requirement under the Act. | <p>Our procedures in relation to the disclosure of related party transactions included:</p> <ol style="list-style-type: none"> a. Obtaining an understanding of the Company's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the standalone financial statements. b. Obtaining an understanding of the Company's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. |

| The Key Audit Matter | Auditor's Response |
|----------------------|--|
| | <p>c. Read minutes of shareholder meetings, board meetings and audit committee minutes regarding Company's assessment of related party transactions being in the ordinary course of business at arm's length.</p> <p>d. Tested, on a sample basis, related party transactions with the underlying contracts/agreements, confirmation letters and other supporting documents, as part of our evaluation of the disclosure.</p> <p>e. Assessing management evaluation of compliance with the provisions of Section 177 and Section 188 of the Act.</p> <p>f. Evaluating the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.</p> |

Recoverability of Minimum Alternate Tax ('MAT') Credit after the tax holiday period (as described in note 13 of the standalone financial statements)

The Company has accumulated MAT credit entitlement of ₹ 11,296.07 lakhs as at 31st March, 2020. The Company is under tax holiday period up to financial year 2019-20 and the utilization of MAT credit depends on the ability of the company to earn adequate profits.

In order to assess the utilization of MAT credit, the Company has prepared revenue and profit projections which involves judgements and estimations.

The projections are based on management's input of key variables and market conditions. The forecasted profit has been determined using estimations of projected income and expenses of the Company.

We have identified this as a key audit matter, due to the judgement and estimation involved in the preparation of the forecasted profits for the utilization of MAT credit.

Our procedures included the following:

- We have assessed the eligibility of MAT credit recognized and the judgments applied to determine the forecasted taxable income to support the recognition of MAT credit entitlement.
- We have tested the inputs and assumptions used in preparation of forecasted taxable income against historical levels of taxable profits.
- We compared the forecast of future taxable income to business plan and previous forecasts to the actual results and analyzed results for material differences, if any.
- We evaluated the arithmetical accuracy of the model used to compute the recoverability of deferred tax asset.
- We have assessed the related disclosures in note 13 to the standalone financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of the Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended 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

INDEPENDENT AUDITORS' REPORT (CONTD.)

irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management 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 management 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.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section (3) of Section 143 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 standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the standalone statement of cash flows and the standalone statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting

with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of 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 Managing 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 Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2015, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 33 of the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **HPVS & Associates.**
Chartered Accountants
Firm Registration No.: 137533W

Hitesh R Khandhadia
Partner

Place: Mumbai
Date: 3rd June, 2020

M.No. 158148
UDIN: 20158148AAAABF3644

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH 1 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF JSW JAIGARH PORT LIMITED OF EVEN DATE)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties that have been taken on lease and disclosed as property, plant and equipment or ROU in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable, and no material discrepancies were noticed on such physical verification.
 - (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, reporting under paragraph 3 (iii) (a), (b) and (c) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. Accordingly, compliance under Section 185 of the Act is not applicable to the Company. According to the information and explanations given to us, the provisions of Section 186 of the Act in respect of the loans given, guarantees given or securities provided are not applicable to the Company, since it is covered as a company engaged in business of providing infrastructural facilities. The Company has not made any investments during the year. Accordingly, compliance under Section 186 of the Act in respect of investment made during the year is not applicable to the Company.
 - (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, reporting under paragraph 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.
 - (vii) (a) According to the information and explanations given to us, and the records of the company examined by us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, service tax, goods and service tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise,

duty of excise, value added tax, and cess which have not been deposited on account of any dispute except as follows:

| Name of the Statute | Nature of the Dues | Amount# (₹ in lakhs) | Period to which the amount relates | Forum where dispute is pending |
|--------------------------|--------------------|-------------------------|------------------------------------|--------------------------------|
| The Income Tax Act, 1961 | Income tax | 60.54 | A.Y. 2008-09 | Income Tax Officer |
| | | 431.10 | A.Y. 2013-14 | CIT (A) |
| Finance Act, 1994 | Service Tax | 233.69 | F.Y. 2014-15 & F.Y. 2015-16 | Addl. Commissioner, Kolhapur |
| | | 5,239.27 | F.Y. 2014-15 | CESTAT, Mumbai |

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to the banks during the year. The Company has not taken any loan from a financial institution, government or by way of issue of debentures.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer.
- (x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the Management, we report that no material fraud by the Company and on the Company by its officer or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Managing Director of the Company is holding place of profit in the Holding Company and remuneration is paid to him by the Holding Company. However, the Company has not paid/provided for any managerial remuneration during the year in accordance with the provisions of section 197 read with Schedule V of the Act. Accordingly, the provision of clause 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, transactions during the year with the related parties were approved by the Audit Committee and are in compliance with section 177 of the Act where applicable and since the said transactions were in the ordinary course of business of the company and were at arm's length basis, the provisions of section 188 are not applicable, and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, in our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3 (xvi) of the Order is not applicable to the Company.

For **HPVS & Associates.**
Chartered Accountants
Firm Registration No.: 137533W

Hitesh R Khandhadia
Partner

Place: Mumbai
Date: 3rd June, 2020

M.No. 158148
UDIN: 20158148AAAABF3644

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION (3) OF SECTION 143 OF THE ACT

(REFERRED TO IN PARAGRAPH 2(A)(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

Opinion

We have audited the internal financial controls over financial reporting of JSW Jaigarh Port Limited ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to these standalone financial statements and such internal financial controls were operating effectively as at 31st March, 2020, based on the internal financial controls with reference to standalone financial statements 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.

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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

A Company's internal financial control over financial reporting with reference to these standalone financial statements 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 with reference to these standalone financial statements 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or

disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, 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 with reference to these standalone financial statements 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.

For **HPVS & Associates.**
Chartered Accountants
Firm Registration No.: 137533W

Hitesh R Khandhadia
Partner

Place: Mumbai
Date: 3rd June, 2020

M.No. 158148
UDIN: 20158148AAAABF3644

STANDALONE BALANCE SHEET

AS AT 31ST MARCH, 2020

CIN: U45205MH2007PLC166784

| Particulars | Note No. | ₹ in lakhs | |
|--|----------|---------------------------|---------------------------|
| | | As at 31st March, 2020 | As at 31st March, 2019 |
| Assets | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 2A | 239,331.87 | 251,040.41 |
| Capital work-in-progress | 2C | 19,427.00 | 7,202.45 |
| Right-of-use assets | 2B | 13,365.38 | - |
| Other intangible assets | 3 | 69.87 | 64.38 |
| Intangible assets under development | 3 | 51.07 | 84.67 |
| Investments in subsidiaries, associates and joint ventures | 4 | 6,300.00 | 6,300.00 |
| Financial Assets | | | |
| Other financial assets | 5 | 13,022.48 | 14,028.49 |
| Other non-current assets | 6 | 1,594.80 | 7,517.36 |
| Total non-current assets | | 293,162.47 | 286,237.76 |
| Current Assets | | | |
| Inventories | 7 | 9,299.38 | 3,485.93 |
| Financial assets | | | |
| Investments | 8 | - | 4,819.80 |
| Trade receivables | 9 | 27,006.65 | 16,883.46 |
| Cash and cash equivalents | 10 | 2,034.19 | 1,338.75 |
| Bank Balance other than above | 10 | 194.96 | - |
| Loans | 11 | 961.60 | 1,061.60 |
| Other financial assets | 12 | 95.86 | 2.56 |
| Other current assets | 13 | 10,719.47 | 8,441.16 |
| Total current assets | | 50,312.11 | 36,033.26 |
| TOTAL ASSETS | | 343,474.58 | 322,271.02 |
| Equity and Liabilities | | | |
| Equity | | | |
| Equity share capital | 14 | 40,050.00 | 40,050.00 |
| Other equity | 15 | 89,499.95 | 86,968.59 |
| Total Equity | | 129,549.95 | 127,018.59 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 16 | 139,264.14 | 136,466.49 |
| Other financial liabilities | 17 | 8,736.40 | 9,342.46 |
| Provisions | 18 | 81.18 | 72.41 |
| Deferred tax liabilities (net) | 19 | 2,609.53 | 2,352.77 |
| Other non current liabilities | 20 | 13,767.03 | 14,555.80 |
| Total non-current liabilities | | 164,458.28 | 162,789.93 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 21 | 15,548.38 | 5,500.00 |
| Trade payables | 22 | | |
| Total Outstanding, due of micro and small enterprises | | 20.80 | 34.11 |
| Total Outstanding, due of creditors other than micro and small enterprises | | 8,245.73 | 3,146.94 |
| Other financial liabilities | 23 | 22,974.01 | 19,365.52 |
| Other current liabilities | 24 | 740.33 | 947.63 |
| Current tax liabilities (net) | 19 | 1,929.88 | 3,460.34 |
| Provisions | 25 | 7.22 | 7.96 |
| Total current liabilities | | 49,466.35 | 32,462.50 |
| TOTAL EQUITY AND LIABILITIES | | 343,474.58 | 322,271.02 |
| Significant accounting policies and key accounting estimates and judgement | 1 | | |

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

As per our attached report of even date

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

Hitesh R Khandhadia
Partner
Membership No. 158148
UDIN - 20158148AAAABF3644

Dated: 3rd June, 2020
Place: Mumbai

For and on behalf of the Board of Directors

Arun Maheshwari
Joint Managing Director
DIN: 01380000

Raju Kumar Dokania
Chief Financial Officer
(AHYPD2740F)

Dated: 29th May, 2020
Place: Mumbai

N K Jain
Director
DIN: 00019442

Miraj Shah
Company Secretary
M. No. 41912

Note : The standalone financial statement have been adopted by the Board on 29th May, 2020 and Signed by us on 3rd June, 2020. During this period, there has been no material events that causes changes in the standalone financial statement.

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2020

| Particulars | Note No. | ₹ in lakhs (Except EPS) | |
|--|----------|--|--|
| | | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Income | | | |
| Revenue from operations | 26 | 60,013.24 | 59,064.40 |
| Other income | 27 | 3,635.60 | 2,800.50 |
| Total income (1) | | 63,648.84 | 61,864.90 |
| Expenses | | | |
| Operating expenses | 28 | 24,905.83 | 23,649.54 |
| Employee benefit expense | 29 | 2,002.97 | 1,699.45 |
| Finance costs | 30 | 17,647.90 | 15,367.33 |
| Depreciation and amortisation expense | 31 | 12,759.49 | 11,609.20 |
| Other expenses | 32 | 3,437.73 | 2,624.46 |
| Total expenses (2) | | 60,753.92 | 54,949.98 |
| Profit before tax (1-2) | | 2,894.92 | 6,914.92 |
| Tax expense | | | |
| Current tax | 19 | - | 761.43 |
| Deferred tax | 19 | 843.39 | (1,562.71) |
| Profit for the year (3) | | 2,051.53 | 7,716.19 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss in subsequent period | | | |
| Re-measurement of defined benefits plan | | (5.32) | - |
| Income tax relating to items that will not be reclassified to profit or loss | | 1.86 | - |
| Total other comprehensive income/(loss) for the year (4) | | (3.46) | - |
| Total comprehensive income for the year (3 + 4) | | 2,048.07 | 7,716.19 |
| Earning per share (₹) | | | |
| (Face value of equity share of ₹ 10 each) | | | |
| Basic (₹) | 50 | 0.51 | 1.93 |
| Diluted (₹) | 50 | 0.51 | 1.93 |
| Significant accounting policies and key accounting estimates and judgement | 1 | | |

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

As per our attached report of even date

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

Hitesh R Khandhadia
Partner
Membership No. 158148
UDIN - 20158148AAAABF3644

Dated: 3rd June, 2020
Place: Mumbai

For and on behalf of the Board of Directors

Arun Maheshwari
Joint Managing Director
DIN: 01380000

Raju Kumar Dokania
Chief Financial Officer
(AHYPD2740F)

Dated: 29th May, 2020
Place: Mumbai

N K Jain
Director
DIN: 00019442

Miraj Shah
Company Secretary
M. No. 41912

Note : The standalone financial statement have been adopted by the Board on 29th May, 2020 and Signed by us on 3rd June, 2020. During this period, there has been no material events that causes changes in the standalone financial statement.

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2020

A) EQUITY SHARE CAPITAL

| Balance as at 1st April, 2019 | Movement during the year | Balance as at 31st March, 2020 |
|----------------------------------|-----------------------------|-----------------------------------|
| 40,050.00 | - | 40,050.00 |
| Balance as at 1st April, 2018 | Movement during the year | Balance as at 31st March, 2019 |
| 40,050.00 | - | 40,050.00 |

B) OTHER EQUITY

| Particulars | ₹ in lakhs | | | |
|---|----------------------|---------------------------------|---|---|
| | Retained Earnings | ESOP compensation reserve | Other comprehensive income / (loss) | Total equity attributable to equity holders of the Company |
| Balance as at 1st April, 2019 | 86,324.58 | 626.09 | 17.92 | 86,968.59 |
| Profit for the year | 2,051.53 | - | - | 2,051.53 |
| Re-measurements loss on defined benefit plans (net) | - | - | (3.46) | (3.46) |
| Recognition of share based payment | - | 483.29 | - | 483.29 |
| Balance as at 31st March, 2020 | 88,376.11 | 1,109.38 | 14.46 | 89,499.95 |

| Particulars | ₹ in lakhs | | | |
|---------------------------------------|----------------------|---------------------------------|---|---|
| | Retained Earnings | ESOP compensation reserve | Other comprehensive income / (loss) | Total equity attributable to equity holders of the Company |
| Balance as at 1st April, 2018 | 78,608.39 | 600.42 | 17.92 | 79,226.73 |
| Profit for the year | 7,716.19 | - | - | 7,716.19 |
| Recognition of share based payment | - | 25.67 | - | 25.67 |
| Balance as at 31st March, 2019 | 86,324.58 | 626.09 | 17.92 | 86,968.59 |

As per our attached report of even date

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

Hitesh R Khandhadia
Partner
Membership No. 158148
UDIN - 20158148AAAABF3644

Dated: 3rd June, 2020
Place: Mumbai

For and on behalf of the Board of Directors

Arun Maheshwari
Joint Managing Director
DIN: 01380000

Raju Kumar Dokania
Chief Financial Officer
(AHYPD2740F)

Dated: 29th May, 2020
Place: Mumbai

N K Jain
Director
DIN: 00019442

Miraj Shah
Company Secretary
M. No. 41912

Note : The standalone financial statement have been adopted by the Board on 29th May, 2020 and Signed by us on 3rd June, 2020. During this period, there has been no material events that causes changes in the standalone financial statement.

STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2020

| Particulars | ₹ in lakhs | |
|---|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| [A] CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 2,894.92 | 6,914.92 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 12,759.49 | 11,609.20 |
| Finance costs | 10,281.35 | 15,006.79 |
| Non Cash expenditure | 382.60 | 360.54 |
| Shared based payment | 483.26 | (37.99) |
| Interest income | (453.50) | (603.97) |
| Profit on sale of investments (net) | (117.03) | (128.50) |
| Duty Drawback | (800.00) | (650.79) |
| Export obligation deferred income amortization | (573.03) | (571.46) |
| Unrealised exchange (gain) (net) | - | 98.87 |
| Loss on sale of Property, plant & equipment (Net) | (16.01) | - |
| | 21,947.13 | 25,082.68 |
| Operating profit before working capital changes | 24,842.05 | 31,997.60 |
| Adjustments for: | | |
| (Increase)/ Decrease in inventories | (5,813.45) | (183.31) |
| (Increase)/ Decrease in trade receivables and other receivables | (2,279.29) | 10,631.10 |
| Increase/ (Decrease) in trade and other liabilities | 12,333.33 | (15,763.96) |
| Increase/ (Decrease) in provisions | (582.06) | (1,323.64) |
| | 3,658.53 | (6,639.81) |
| Cash from operating activities | 28,500.58 | 25,357.79 |
| Direct taxes paid (net of refunds) | (1,820.62) | (821.50) |
| Net cash generated from operating activities [A] | 26,679.96 | 24,536.29 |
| [B] CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Inflows | | |
| Sale of property, plant and equipment | 31.60 | - |
| Sale of mutual fund | 34,174.32 | 33,058.70 |
| Loan received from related party (Refer Note 34) | 100.00 | - |
| Interest received | 360.20 | 601.41 |
| | 34,666.12 | 33,660.11 |
| Outflows | | |
| Purchase of property, plant and equipment and intangible assets | 26,434.14 | 9,235.08 |
| Purchase of investments (net) | 29,237.49 | 37,750.00 |
| Investment in equity shares | - | - |
| | 55,671.63 | 46,985.08 |
| Net Cash used in investing activities [B] | (21,005.51) | (13,324.97) |
| [C] CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Inflows | | |
| Proceeds from long-term borrowings | 1,013.04 | 12,891.35 |
| Proceeds from short-term borrowings | 9,651.39 | 145.71 |
| | 10,664.43 | 13,037.06 |
| Outflows | | |
| Repayments of long-term borrowings | 3,644.31 | 1,528.02 |
| Repayment of short term-borrowings | 1,522.84 | 13,571.11 |
| Interest paid | 10,281.35 | 10,077.35 |
| | 15,448.50 | 25,176.48 |
| Net cash generated from financing activities [C] | (4,784.07) | (12,139.42) |
| NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES (A+B+C) | 890.40 | (928.10) |
| Cash and cash equivalents - opening balances | 1,338.75 | 2,266.85 |
| Cash and cash equivalents - closing balances (Refer Note 10) | 2,229.15 | 1,338.75 |

Notes: The above Cash Flow Statement is prepared under the "Indirect Method" as set out in the IND AS-7 - Statement of Cash Flow.

STANDALONE STATEMENT OF CASH FLOW (CONTD.)

FOR THE YEAR ENDED 31ST MARCH, 2020

| Particulars | As at 31st March, 2019 | Cash flows | Non cash changes | | As at 31st March, 2020 |
|--|---------------------------|-----------------|------------------------------|-----------------------|---------------------------|
| | | | Foreign exchange movement | Fair value changes | |
| Long-term borrowings | 140,446.07 | (2,631.27) | 6,781.17 | 119.37 | 144,715.33 |
| Short-term borrowings | 5,500.00 | 9,651.39 | 396.99 | | 15,548.38 |
| Acceptance | 1,522.84 | (1,522.84) | | | - |
| Total liabilities from financing activities | 147,468.91 | 5,497.28 | 7,178.16 | 119.37 | 160,263.71 |

| Particulars | As at 31st March, 2018 | Cash flows | Non cash changes | | As at 31st March, 2019 |
|--|---------------------------|-------------------|------------------------------|-----------------------|---------------------------|
| | | | Foreign exchange movement | Fair value changes | |
| Long-term borrowings | 124,206.96 | 11,363.34 | 4,741.58 | 134.19 | 140,446.07 |
| Short-term borrowings | 18,656.89 | (13,571.12) | 414.22 | | 5,499.99 |
| Acceptance | 1,377.13 | 145.71 | | | 1,522.84 |
| Total liabilities from financing activities | 144,240.98 | (2,062.07) | 5,155.80 | 134.19 | 147,468.90 |

As per our attached report of even date

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

Hitesh R Khandhadia
Partner
Membership No. 158148
UDIN - 20158148AAAABF3644

Dated: 3rd June, 2020
Place: Mumbai

For and on behalf of the Board of Directors

Arun Maheshwari
Joint Managing Director
DIN: 01380000

Raju Kumar Dokania
Chief Financial Officer
(AHYPD2740F)

Dated: 29th May, 2020
Place: Mumbai

N K Jain
Director
DIN: 00019442

Miraj Shah
Company Secretary
M. No. 41912

Note : The standalone financial statement have been adopted by the Board on 29th May, 2020 and Signed by us on 3rd June, 2020. During this period, there has been no material events that causes changes in the standalone financial statement.

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

General information

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

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

1. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

I. STATEMENT OF COMPLIANCE

Standalone 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 standalone financial statement.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "standalone financial statements").

These standalone financial statements are approved for issue by the Board of Directors on 29th May, 2020

II. BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

The Standalone Financial Statements have been prepared on the historical cost basis except

for certain financial instruments measured at fair values at the end of each reporting year, as explained in the accounting policies below.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The Standalone Financial Statement is presented in INR and all values are rounded to the nearest crores except when otherwise stated.

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Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- › it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle. it is held primarily for the purpose of being traded;
- › it is expected to be realized within 12 months after the reporting date; or
- › it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- › it is expected to be settled in the Company's normal operating cycle;
- › it is held primarily for the purpose of being traded;
- › it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

1. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from port operations services/ multi-model service including cargo handling, storage

and other ancillary port services are recognized on proportionate completion method basis based on services completed till reporting date. Revenue on take-or-pay charges are recognized for the quantity that is difference between annual agreed tonnage and actual quantity of cargo handled.

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

The amount recognised as revenue is exclusive of goods & services tax where applicable.

2. Other Income

Other income is comprised primarily of interest income, mutual fund income, exchange gain/ loss. All Financial Assets 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.

Income from Services Exports from India Scheme ('SEIS') incentives under Government's Foreign Trade Policy 2015-20 on the port services income is recognised based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS licenses are classified as ' Other Current Asset – Refer Note 14.

3. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the

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use of an identified asset for a period of time in exchange for consideration.

Company as lessor

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

Leases 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.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the

shorter of its estimated useful life and the lease term and the lease term is as follows.

| Class of assets | Years |
|-----------------|----------------|
| Leasehold land | 50 to 99 years |
| Buildings | 3 and 30 years |

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test. Refer to the accounting policies no. 15 for Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head "Other Financial Liabilities". Lease liabilities has been presented under the head "Other Financial Liabilities".

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Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below ₹ 50,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

A) New and amended accounting standards:**Ind AS 116 - Leases**

Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1st April, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.

Effective 1st April, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on the date of initial application i.e. 1st April, 2019. The Company has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognized at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended 31st March, 2019 have not been retrospectively adjusted.

Upon adoption of Ind AS 116, the company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

Leases previously classified as finance leases

The Company applied the practical expedients provided in Ind AS 116 and did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 was applied to these leases from 1st April, 2019 and accordingly carrying amount of lease assets has been reclassified as RoU assets.

Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. The right-of-use assets were recognised at amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised.

The Company also applied the available practical expedients wherein it:

- › Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- › Relied on its assessment of whether leases are onerous immediately before the date of initial application
- › Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application

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- › Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- › Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

Most of the contracts that contains extension terms are on mutual agreement between both the parties and hence the potential future rentals cannot be assessed. Certain contracts where the extension terms are unilateral are with unrelated parties and hence there is no certainty about the extension being exercised.

The weighted average incremental borrowing rate applied to the newly recognised lease liabilities pursuant to Ind AS 116 adoption as at 1st April, 2019 is 9.25%

4. Foreign Currency transactions

The standalone financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

5. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of the asset, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest

income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

6. Government Grant

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

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

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

7. Employee Benefits

Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement

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recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment or when the company recognizes corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- › service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- › net interest expense or income; and
- › re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

8. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note -.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from Equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

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9. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred tax asset if there is convincing evidence that

the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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. 2013-2014. 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.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity

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intends to settle its current tax assets and liabilities on a net basis

10. Property, Plant and Equipment

Property, plant and equipment are measured at acquisition cost less accumulated depreciation and accumulated impairment losses. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by Management. The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method as prescribed under Part C of schedule II of the Companies Act, 2013 except for the assets mentioned below for which useful life estimated by the management. The Identified components of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets.

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

| Assets | Estimated useful lives |
|------------------------|------------------------|
| Building | 5-28 Years |
| Plant and Machinery | 2-18 Years |
| Ships | 28 years |
| Office equipment | 3-20 Years |
| Computer equipment | 3-6 Years |
| Furniture and fixtures | 10-15 Years |
| Vehicles | 8-10 Years |

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

Borrowing cost relating to acquisition / construction of Property, Plant and Equipment which take substantial period of time to get ready for its intended use are also included to the

extent they relate to the period till such assets are ready to be put to use.

Freehold land is not depreciated

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the standalone financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed-off are reported at the lower of the carrying value or the fair value less cost to sell.

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.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The company has policy to expense out the assets which is acquired during the year and value of such assets is below ₹ 5000.

11. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on

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a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The cost of intangible assets having finite lives, which are under development and before put to use, are disclosed as "Intangible Assets under development.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

| Assets | Estimated useful lives |
|-------------------|------------------------|
| Computer Software | 3 – 5 Years |

12. Impairment of Property, plant and equipment and intangible assets other than goodwill

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and

whenever there is an indication that the asset may be impaired.

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

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

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

13. Inventories

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. Net Realizable Value in respect of stores and spares is the estimated current procurement price in the ordinary course of the business.

14. Investment in subsidiaries, associates and Joint ventures

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

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and the carrying amount is charged or credited to the Statement of Profit and Loss.

15. Fair Value Measurement

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

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

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

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

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

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

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

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

- › Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- › Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Financial Instruments

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

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

a) Investments and other financial assets: Classification

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

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

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

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

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual

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

Sub-sequent measurement

After initial recognition, financial assets are measured at:

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

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

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

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

Gains or Losses on De-recognition

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

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

Measured at fair value through profit or loss (FVTPL)

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

Gains or Losses on De-recognition

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

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

De-recognition

A financial asset is de-recognised only when

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

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

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

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

Impairment

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

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

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

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

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

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

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

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Income recognition

Effective Interest Method

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

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

b) Financial liabilities & Equity Instruments

Equity Instruments

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

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

Financial liabilities

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

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

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

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

De-recognition

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

Offsetting financial instruments

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

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no

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reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to

external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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

Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

16. Cash and Cash Equivalents

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

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

17. Provisions, Contingent liabilities, Contingent assets and Commitments

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources

will be required to settle the obligation in respect of which a reliable estimate can be made.

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

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used,

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the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

- › a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- › a present obligation arising from past events, when no reliable estimate is possible
- › a possible obligation arising from past events, when the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

18. 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.

19. 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 operating decision maker, in accordance with Ind-AS 108 "Operating Segment".

Considering the inter relationship of various activities of the business, the chief operating 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 standalone financial statements.

20. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.

21. New and amended standards adopted by the company

The Company has applied the following standards and amendments for the first time for annual reporting period commencing from 1st April, 2019.

1. Ind AS 12 - Income Taxes - Appendix C, Uncertainty over Income Tax Treatments:-

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to 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/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)

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Retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives. The standard became effective from 1st April, 2019. The Company has adopted the standard on 1st April, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. 1st April, 2019 if any without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C is insignificant in the standalone financial statements.

2. Amendment to Ind AS 12 – Income taxes

The amendment relating to income tax consequences of dividend clarify 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. The adoption of the standard did not have any material impact to the standalone financial statements. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend in accordance with Ind AS 12

3. Amendment to Ind AS 19 – Employee benefit – plan amendment, curtailment or settlement

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 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.

The adoption of the standard did not have any material impact to the standalone financial statements.

III. KEY ACCOUNTING ESTIMATES AND JUDGMENTS

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

Critical accounting estimates and assumptions

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

Property, plant and equipment

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

Impairment of investments in subsidiaries and associates

Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capacity utilisation of plants, operating margins, mineable resources and availability

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of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies as more fully described. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

Impairment of financial assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss. 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.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a specified period in which MAT credit arises, subject to the limits prescribed.

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.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. The cases which have been determined as remote by the Company are not disclosed.

Contingent assets are neither recognized nor disclosed in the standalone financial statements unless when an inflow of economic benefits is probable.

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NOTE 2: PROPERTY, PLANT AND EQUIPMENT

A. OWNED ASSETS

| Particulars | ₹ in lakhs | | | | | | | | |
|--|-----------------|------------------|-------------------|---------------------|------------------|------------------------|-------------------|---------------|-------------------|
| | Freehold land | Leasehold land | Buildings | Plant and machinery | Ships | Furniture and fittings | Office equipments | Vehicles | Total |
| Cost: | | | | | | | | | |
| As at 1st April, 2018 | 9,327.20 | 13,419.22 | 125,994.23 | 99,335.41 | 8,703.57 | 414.93 | 226.04 | 268.71 | 257,689.31 |
| Additions/Adjustments | - | - | 22,985.25 | 1,162.72 | 27.84 | 67.61 | 40.12 | 30.16 | 24,313.70 |
| Disposals/transfers | - | - | - | - | - | - | - | - | - |
| Adjustments | - | - | - | - | - | - | - | - | - |
| As at 31st March, 2019 | 9,327.20 | 13,419.22 | 148,979.48 | 100,498.13 | 8,731.41 | 482.54 | 266.16 | 298.87 | 282,003.01 |
| Additions/Adjustments | 582.26 | - | 1,887.89 | 1,887.67 | 9,975.80 | 35.26 | 11.67 | - | 14,380.55 |
| Disposals/transfers | - | - | - | 112.91 | - | 7.58 | 23.42 | 1.09 | 145.00 |
| **Reclassified on account of adoption of Ind AS 116. Refer Note 2(B) | | 13,419.22 | - | | | | | | 13,419.22 |
| As at 31st March, 2020 | 9,909.47 | - | 150,867.37 | 102,272.88 | 18,707.21 | 510.22 | 254.41 | 297.78 | 282,819.34 |
| Accumulated Depreciation | | | | | | | | | |
| As at 1st April, 2018 | - | 15.28 | 11,191.45 | 7,757.81 | 131.39 | 159.89 | 62.34 | 57.57 | 19,375.73 |
| Depreciation charge for the year | - | 28.57 | 5,817.77 | 5,263.02 | 332.94 | 70.24 | 35.96 | 38.37 | 11,586.87 |
| Disposals/transfers | - | - | - | - | - | - | - | 0.00 | 0.00 |
| As at 31st March, 2019 | - | 43.85 | 17,009.22 | 13,020.83 | 464.33 | 230.13 | 98.30 | 95.94 | 30,962.60 |
| Depreciation charge for the year | - | 28.57 | 6,785.96 | 5,394.53 | 388.27 | 63.86 | 27.05 | 38.47 | 12,726.71 |
| Disposals/transfers | - | - | - | 98.76 | - | 7.28 | 22.77 | 0.61 | 129.42 |
| **Reclassified on account of adoption of Ind AS 116. Refer Note 2(B) | | 72.42 | | | | | | | 72.42 |
| As at 31st March, 2020 | - | - | 23,795.18 | 18,316.60 | 852.60 | 286.71 | 102.58 | 133.80 | 43,487.47 |
| Net book value | | | | | | | | | |
| As at 31st March, 2019 | 9,327.20 | 13,375.36 | 131,970.26 | 87,477.30 | 8,267.09 | 252.41 | 167.86 | 202.93 | 251,040.41 |
| As at 31st March, 2020 | 9,909.47 | - | 127,072.19 | 83,956.28 | 17,854.61 | 223.51 | 151.83 | 163.98 | 239,331.87 |

** Leasehold land has been allotted by JSW Steel Ltd and JSW Energy Ltd for the development of port and related infrastructure at Jaigarh. The company has recorded the right at Jaigarh Land, at present value of future annual lease payment in the books and classified the same as leasehold land. On adoption of Ind AS 116, the same has been classified to right of use assets.

* certain property, plant and equipment are pledged against borrowing, the details relating to which have been described in note 16.1.

* for detail of assets given on finance lease, refer note 40.

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

* Fixed assets addition includes exchange fluctuation loss of ₹ 19.82 lakhs (Previous Year ₹ 515.63) and borrowing cost of ₹ 723.79 (Previous Year ₹ 1944.85 lakhs.)

B. RIGHT-OF-USE ASSETS

| Particulars | ₹ in lakhs | | |
|--|------------------|--------------|------------------|
| | Leasehold land* | Buildings | Total |
| As at 1st April, 2019 | - | - | - |
| Recognition on Initial application of Ind AS 116 as at 1st April, 2019 | | 22.25 | 22.25 |
| Reclassified on the account of adoption of Ind AS 116 | 13,419.22 | | 13,419.22 |
| Disposals/transfers | - | - | - |
| As at 31st Mar, 2020 | 13,419.22 | 22.25 | 13,441.47 |
| Accumulated Depreciation | | | |
| As at 1st April, 2019 | 43.85 | - | 43.85 |
| Depreciation charge for the year | 28.57 | 3.67 | 32.24 |
| Disposals/transfers | - | - | - |
| As at 31st Mar, 2020 | 72.42 | 3.67 | 76.09 |
| As at 31st Mar, 2020 | 13,346.80 | 18.58 | 13,365.38 |

(i) Ind AS 116 - Leases, has become applicable effective annual reporting period beginning 1st April, 2019. The Company has adopted the standard beginning 1st April, 2019, using the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognized at an amount equal to the lease liability

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adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. Accordingly, the Company has not restated the comparative information. This has resulted in recognizing a "Right of use asset" of ₹ 13,441.46 lakhs, and a corresponding "Lease liability" of ₹ 22.25 lakhs as at 1st April, 2019 including right-of-use asset amounting to ₹ 13,419.22 lakhs and lease liability amounting to ₹ NIL lakhs recognised as finance lease asset and obligation respectively under erstwhile lease standard as at 31st March, 2019.

- (ii) Out of total Right-of-use assets recognised as on 1st April, 2019, ₹ 13419.22 lakhs was reclassified from Property, Plant and Equipment. The increase in total assets was ₹ 22.25 lakhs.
- (iii) Followings are the amounts recognised in statement of profit or loss:

| Particulars | ₹ in lakhs | |
|---|------------|---------------|
| | Amount | |
| Depreciation expense of right-of-use assets | | 32.24 |
| Interest expense on lease liabilities | | 0.83 |
| Rent expense - short-term leases and leases of low value assets | | 300.00 |
| Total amounts recognised in profit or loss | | 333.07 |

C. Capital work-in-progress

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

| Particulars | ₹ in lakhs | |
|-------------------------------|------------------|-----------|
| | CWIP | Others |
| As at 1st April, 2018 | 22,319.79 | |
| Additions | | 9,196.36 |
| Disposals /transfers | | 24,313.70 |
| As at 31st March, 2019 | 7,202.45 | |
| Additions | | 26,022.84 |
| Disposals /transfers | | 13,798.29 |
| As at 31st March, 2020 | 19,427.00 | |

Capital work-in-progress includes exchange fluctuation loss of ₹ 12.62 lakhs (Previous Year ₹ 229.99) and borrowing cost of ₹ 278.23 (Previous Year ₹ 881.06 lakhs.)

NOTE 3: OTHER INTANGIBLE ASSETS

| Particulars | ₹ in lakhs | |
|----------------------------------|-------------------|---------------|
| | Computer Software | |
| Cost: | | |
| As at 1st April, 2018 | | 213.46 |
| Additions | | 27.21 |
| Disposals /transfers | | |
| As at 31st March, 2019 | | 240.67 |
| Additions | | 34.60 |
| Disposals /transfers | | |
| As at 31st March, 2020 | | 275.27 |
| As at 1st April, 2018 | | 153.95 |
| Amortisation charge for the year | | 22.34 |
| Disposals /transfers | | |
| As at 31st March, 2019 | | 176.29 |
| Amortisation charge for the year | | 29.11 |
| Disposals /transfers | | |
| As at 31st March, 2020 | | 205.40 |
| As at 31st March, 2019 | | 64.38 |
| As at 31st March, 2020 | | 69.87 |

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NOTE 3.1: Intangible assets under development

| Particulars | ₹ in lakhs | |
|-------------------------------|-------------------|--|
| | Intangible Assets | |
| As at 1st April, 2018 | 73.16 | |
| Additions | 38.72 | |
| Disposals /transfers | 27.21 | |
| As at 31st March, 2019 | 84.67 | |
| Additions | 1.00 | |
| Disposals /transfers | 34.60 | |
| As at 31st March, 2020 | 51.07 | |

NOTE 4: INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Investment in equity instruments | | |
| Unquoted | | |
| Subsidiaries (at cost or deemed cost) | | |
| Jaigarh Digni Rail Limited | 6,300.00 | 6,300.00 |
| 63,000,000 Equity shares of ₹ 10/- each | | |
| (PY 63,000,000 Equity shares of ₹ 10/- each) | | |
| | 6,300.00 | 6,300.00 |
| Aggregate amount of carrying value of unquoted investment | 6,300.00 | 6,300.00 |
| Aggregate amount of impairment value of unquoted investment | - | - |

NOTE 5: NON-CURRENT FINANCIAL ASSETS - OTHERS

| Particulars | ₹ in lakhs | |
|----------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Unsecured, considered good | | |
| Lease Receivable (Refer Note 34) | 12,598.64 | 13,298.93 |
| Margin money deposit | 423.84 | 729.56 |
| | 13,022.48 | 14,028.49 |

Margin money deposit aggregating to ₹ 423.84 (previous year ₹ 729.56) are pledged or lien against bank guarantee or Letter of credit.

NOTE 6: NON-CURRENT ASSETS-OTHERS

| Particulars | ₹ in lakhs | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Capital advances (Unsecured, considered good) | 1,019.50 | 6,869.66 |
| Others (unsecured, considered good) | | |
| Security deposits | 67.64 | 67.65 |
| Financial Guarantee Asset (Refer Note 34) | 507.66 | 580.05 |
| | 1,594.80 | 7,517.36 |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 7: INVENTORIES

| Particulars | ₹ in lakhs | |
|------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Inventories (At cost) | | |
| Stores and spares | 9,299.38 | 3,485.93 |
| | 9,299.38 | 3,485.93 |

Cost of inventory recognised as an expenses for the year ended 31st March, 2020 ₹ 3973.55 lakhs. (PY ₹ 2707.3 lakhs)

Inventories are pledged against borrowing, the details relating to which have been described in note 16.1.

NOTE 8: INVESTMENTS

| Particulars | ₹ in lakhs | | | |
|--|------------------------|---------|------------------------|-----------------|
| | As at 31st March, 2020 | | As at 31st March, 2019 | |
| | Units | Amounts | Units | Amounts |
| Investment in mutual fund measured at fair value through profit or loss (quoted) | | | | |
| JM Liquid Fund | - | - | 1,282,114.50 | 653.08 |
| Aditya Birla Sun Life Liquid Fund - Growth Regular Plan | - | - | 285,532.36 | 853.76 |
| Franklin India Liquid Fund - Super IP - Growth | - | - | 22,233.19 | 619.90 |
| Reliance Liquid Fund - Growth | - | - | 14,519.57 | 659.07 |
| Mirae Asset Cash Management Fund - Growth | - | - | 36,113.93 | 704.30 |
| UTI Liquid Cash Plan - Reg - Growth | - | - | 16,420.69 | 500.82 |
| ICICI Prudential Liquid Fund - Growth | - | - | 300,950.00 | 828.87 |
| Mutual Funds (Quoted) | - | - | 1,957,884.24 | 4,819.80 |
| Aggregate amount of Quoted investments | | | | |
| Book Value | | | | 4,794.81 |
| Market value | | | | 4,819.80 |

NOTE 9: TRADE RECEIVABLES

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Trade Receivables considered good - Secured | - | - |
| Trade Receivables considered good - Unsecured (for related parties, Refer Note 34) | 27,082.80 | 16,967.12 |
| Trade Receivables which have significant increase in credit risk | - | - |
| Less: Allowance for doubtful debts | (76.15) | (83.66) |
| Trade Receivable - credit impaired | - | - |
| Less: Allowance for doubtful debts | - | - |
| | 27,006.65 | 16,883.46 |

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 recognized an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverables.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

Ageing of receivables that are past due

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

| Particulars | ₹ in lakhs | |
|--------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Within the credit period | 11,941.82 | 5,266.76 |
| 31-60 days | 4,056.20 | 2,515.29 |
| 61-90 days | 2,405.67 | 1,348.30 |
| 91-180 days | 6,703.92 | 5,592.80 |
| > 181 days | 1,975.19 | 2,243.97 |
| | 27,082.80 | 16,967.12 |

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

NOTE 10: CASH AND CASH EQUIVALENTS

| Particulars | ₹ in lakhs | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Balances with banks | | |
| In current accounts | 240.79 | 838.75 |
| In term deposit account with maturity less than 3 months at inception | 1,792.04 | 500.00 |
| Cash on hand | 1.36 | - |
| | 2,034.19 | 1,338.75 |

NOTE 10.1: BANK BALANCE OTHER THAN ABOVE

| Particulars | ₹ in lakhs | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| In term deposit account with maturity more than 3 months but less than 1 year | 194.96 | - |
| | 194.96 | - |

NOTE 11: LOANS

| Particulars | ₹ in lakhs | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Loan to Related Party (Unsecured, considered good) (Refer Note 34)* | 954.10 | 1,054.10 |
| Security Deposit (Unsecured, considered goods) | 7.50 | 7.50 |
| | 961.60 | 1,061.60 |

* Loan are given for business purpose. Refer Note 34 for term of loans.

NOTE 12: CURRENT FINANCIAL ASSETS - OTHERS

| Particulars | ₹ in lakhs | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Unsecured, considered good | | |
| Interest Receivable on loans to related party (Refer Note 34) | 92.31 | 2.56 |
| Interest Receivable on Fixed Deposit | 3.55 | - |
| | 95.86 | 2.56 |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 13: OTHER CURRENT ASSETS

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Unsecured, considered good | | |
| Advance to suppliers | 1,689.85 | 2,014.96 |
| Advance to other related party | - | - |
| Prepayment | 309.17 | 198.51 |
| Balance with Govt. authorities | 5,200.02 | 4,921.79 |
| Indirect tax balances/recoverable/credit | 593.96 | 138.45 |
| Other Advances* | 1,396.15 | 1.46 |
| Unbilled Revenue | 79.53 | 515.20 |
| Government grant incentive income receivable** | 1,450.79 | 650.79 |
| | 10,719.47 | 8,441.16 |

* Other advances include advance amounting to ₹ 1392.50 lakhs to be recovered from bank for moratorium facilities availed by the company which has been subsequently been received.

** This includes ₹ 800 lakhs recognized as Income during the period. Refer Note 27

NOTE 14: SHARE CAPITAL

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Authorised: | | |
| 1,000,000,000 Equity Shares of ₹ 10/- each | 100,000.00 | 100,000.00 |
| Issued, Subscribed and paid-up: | | |
| 400,500,000 Equity Shares of ₹ 10/- each fully paid-up | 40,050.00 | 40,050.00 |
| | 40,050.00 | 40,050.00 |

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

| Issued, Subscribed and paid up share capital | ₹ in lakhs | | | |
|--|------------------------|---------------|------------------------|---------------|
| | As at 31st March, 2020 | | As at 31st March, 2019 | |
| | No. of Shares | Amounts | No. of Shares | Amounts |
| Balance at the beginning of the year | 400,500,000 | 4,005,000,000 | 400,500,000 | 4,005,000,000 |
| Movement during the year | - | - | - | - |
| Balance at the end of the year | 400,500,000 | 4,005,000,000 | 400,500,000 | 4,005,000,000 |

(b) Terms / rights attached to equity shares:

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

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

| Particulars | ₹ in lakhs | | | |
|---|------------------------|---------------------------|------------------------|---------------------------|
| | As at 31st March, 2020 | | As at 31st March, 2019 | |
| | No. of Shares | % holding in the class | No. of Shares | % holding in the class |
| JSW Infrastructure Limited, the Holding company along with its nominee shareholders | 400,500,000 | 100 | 400,500,000 | 100 |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

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

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

NOTE 15: OTHER EQUITY

| Particulars | ₹ in lakhs | | | |
|--|-------------------|---------------------------|-------------------------------------|--|
| | Retained Earnings | ESOP compensation reserve | Other comprehensive income / (loss) | Total equity attributable to equity holders of the Company |
| Balance as at 1st April, 2019 | 86,324.58 | 626.09 | 17.92 | 86,968.59 |
| Profit for the year | 2,051.53 | | | 2,051.53 |
| Remeasurements loss on defined benefit plans (net) | | | (3.46) | (3.46) |
| Recognition of share based payment | | 483.29 | | 483.29 |
| Balance as at 31st March, 2020 | 88,376.11 | 1,109.38 | 14.46 | 89,499.95 |

| Particulars | ₹ in lakhs | | | |
|---------------------------------------|-------------------|---------------------------|-------------------------------------|--|
| | Retained Earnings | ESOP compensation reserve | Other comprehensive income / (loss) | Total equity attributable to equity holders of the Company |
| Balance as at 1st April, 2018 | 78,608.39 | 600.42 | 17.92 | 79,226.73 |
| Profit for the year | 7,716.19 | - | - | 7,716.19 |
| Recognition of share based payment | - | 25.67 | - | 25.67 |
| Balance as at 31st March, 2019 | 86,324.58 | 626.09 | 17.92 | 86,968.59 |

(i) Retained Earnings

Retained earnings are the profits that the company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the company.

(ii) Equity Instruments through other comprehensive income

The company has elected to recognise changes in the liability due to changes in actuarial assumptions in other comprehensive income and subsequently not re-classified to the statement of profit and loss.

(iii) Equity settled share based payment reserve

The Company offers ESOP, under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme

NOTE 16: NON-CURRENT FINANCIAL LIABILITIES-BORROWINGS

| Particulars | ₹ in lakhs | | | |
|--|------------------------|-----------------|------------------------|-----------------|
| | As at 31st March, 2020 | | As at 31st March, 2019 | |
| | Non Current | Current | Non Current | Current |
| Term Loan | | | | |
| Secured | 140,071.41 | 5,482.79 | 137,409.90 | 3,382.10 |
| Unsecured | - | - | - | 625.00 |
| Less: Unamortised upfront fees on borrowing | (807.27) | (31.60) | (943.41) | (27.51) |
| | 139,264.14 | 5,451.19 | 136,466.49 | 3,979.59 |
| Less: Current Maturity of long term debt clubbed under other financial liabilities | | (5,451.19) | | (3,979.59) |
| | 139,264.14 | - | 136,466.49 | - |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 16.1 NATURE OF SECURITY AND TERMS OF REPAYMENT

| Particulars | As at 31st March, 2020 | | As at 31st March, 2019 | | Rates of interest | | Nature of security | Repayment terms | Moratorium availed or not |
|--|------------------------|------------------|------------------------|-----------------|---|---|--|---|---------------------------|
| | Non Current | Current | Non Current | Current | As at 31st March, 2020 | As at 31st March, 2019 | | | |
| Rupee Term Loans From Banks (Secured) | | | | | | | | | |
| Axis Term Loan Normal | 5,718.14 | 477.50 | 25,390.30 | 505.00 | One Year MCLR + 0.25% | One Year MCLR + 0.25% | First pari pasu charge on company's all present and future assets | Repayable in quarterly installments from June 2018 to June 2030 | Yes* |
| Axis Term Loan FCTL | 27,165.27 | 1,039.11 | 25,234.10 | 544.83 | One Month Libor + 340 BPS | One Month Libor + 340 BPS | | | No |
| South Indian Bank | 9,150.00 | 400.00 | 9,501.73 | 193.91 | One Month MCLR in line with the Axis Bank + 0.05% | One Month MCLR in line with the Axis Bank + 0.05% | | | Yes* |
| Bank of India | 27,450.00 | 1,050.00 | 28,518.00 | 582.00 | One Year MCLR in line with the Axis Bank + 0.25% | One Year MCLR in line with the Axis Bank + 0.25% | | | No |
| Exim Bank FCTL - 1 | 20,749.97 | 678.47 | 30,506.56 | 933.81 | Libor 6 Month rate + 285 BPS | Libor 6 Month rate + 285 BPS | | | Yes* |
| Exim Bank FCTL - 2 | 31,124.95 | 1,017.71 | 18,259.21 | 622.55 | Libor 6 Month rate + 285 BPS | Libor 6 Month rate + 285 BPS | | | Yes* |
| Union Bank of India | 18,713.08 | 820.00 | - | - | 1 Year MCLR + 80 BPS, in line with Axis Bank | - | First pari pasu charge on company's all present and future assets (except 85 acres to be handed over to HEGPL) | | Yes* |
| Total | 140,071.41 | 5,482.79 | 137,409.90 | 3,382.10 | | | | | |
| Rupee Term Loans From Banks (Unsecured) | | | | | | | | | |
| Yes Bank | - | - | - | 625.00 | 1 Year MCLR of Yes Bank. | 1 Year MCLR of Yes Bank. | Un-secured, Priority sector lending | Repayable in quarterly installments, started from Mar-2016 to Sept-2019 | No |
| Total | - | - | - | 625.00 | | | | | |
| Short Term Borrowings | | | | | | | | | |
| Buyers credit | - | 8,141.60 | - | - | Libor + 98% + margin USD 90,629.16 | - | Un-secured | 180 Days to 360 days from discounting date | No |
| Overdraft (ICICI Bank) | - | 1,906.78 | - | - | 6M MCLR Rate + 1.2% | - | Un-secured | Payable on demand | No |
| Loan from related party | - | 5,500.00 | - | 5,500.00 | 1 Year SBI MCLR + 175 bps (i.e., 9.9%) | 1 Year SBI MCLR + 175 bps (i.e., 9.75%) | Un-secured | Payable on demand | No |
| Total | - | 15,548.38 | - | 5,500.00 | | | | | |
| Grand Total | 140,071.41 | 21,031.17 | 137,409.90 | 9,507.10 | | | | | |

Loan Moratorium note

*Relates to term loans in respect of which the Company has opted to avail moratorium on payment of all installments (principal and interest component) falling due between 1st March, 2020 to 31st May, 2020, from respective banks on account of COVID-19 under the RBI guidelines and accordingly, interest accrued as on 31st March, 2020 is payable after completion of moratorium period.

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 17: NON-CURRENT OTHER FINANCIAL LIABILITIES

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Security Deposit | 7,336.60 | 7,910.82 |
| Retention money for capital projects | 1,368.52 | 1,404.13 |
| Deferred income on fair valuation of deposit taken | 19.04 | 27.51 |
| Lease Liability (Refer Note 39) | 12.24 | - |
| | 8,736.40 | 9,342.46 |

- (i) The Company has adopted the standard beginning 1st April, 2019 which has resulted in recognizing a "Lease liability" of ₹ 22.25 lakhs as at 1st April, 2019. During the year company has recognised ₹ 0.82 lakhs as finance charge on lease and has paid ₹ 4.06 as lease rent. At the end of the year company has reported total lease liability of ₹ 19.01 lakhs, out of which Non-current lease liability is ₹ 12.24 lakhs and current lease liability is ₹ 6.77 lakhs.
- (ii) The operating lease commitments as of 31st March, 2019 reconciled with lease liabilities as at 1st April, 2019 as follows:

| Particulars | ₹ in lakhs | |
|---|--------------|--|
| | Amount | |
| Operating lease commitments as at 31st March, 2019 | 25.51 | |
| Weighted average incremental borrowing rate as at 1st April, 2019 | 9.25% | |
| Discounted operating lease commitments at 1st April, 2019 | 22.25 | |
| Add: Commitments relating to leases previously classified as finance leases | - | |
| Lease liabilities as at 1st April, 2019 | 22.25 | |

- (iii) Total Lease liabilities recognised as on 1st April, 2019 includes ₹ 22.25 represents increase in total liabilities.
- (iv) Details of future minimum lease payment is given in note 39

NOTE 18: NON-CURRENT PROVISIONS

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Provision for Employee Benefits expenses | | |
| Provision for compensated absences (Refer Note 36) | 81.18 | 72.42 |
| | 81.18 | 72.42 |

NOTE 19: TAXATION

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

| Particulars | ₹ in lakhs | |
|--|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Current income tax (MAT Liability) | 584.76 | 1,584.90 |
| Tax (credit) under Minimum Alternative Tax | (584.76) | (823.47) |
| Current Tax (a) | - | 761.43 |
| Deferred Tax (b) | 843.39 | (1,562.71) |
| Total Expenses reported in the statement of profit and Loss (a+b) | 843.39 | (801.28) |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

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

| Particulars | ₹ in lakhs | |
|---------------------------------------|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Reconciliation | | |
| Profit before tax | 2,894.92 | 6,914.92 |
| Accounting profit before income tax | 2,894.92 | 6,914.92 |
| Enacted tax rate in India | 34.94% | 34.94% |
| Computed tax expense | 1,011.60 | 2,416.35 |
| Expense not allowed for tax purpose | 4,604.83 | 7,640.28 |
| Additional allowances for tax purpose | (8,302.39) | (9,295.20) |
| Current tax | - | 761.43 |
| Income tax | - | 761.43 |
| *Deferred tax (Refer table below) | 843.39 | (1,562.71) |
| Total tax expense | 843.39 | (801.28) |
| Effective rate of tax | 29.13% | - |
| MAT Credit | | |
| MAT Liability (115JB) | 584.76 | 1,584.90 |
| MAT Credit entitlement | (584.76) | (823.47) |
| Current tax | - | 761.43 |

There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 33).

Deferred tax relates to the following:*

| Particulars | ₹ in lakhs | | | |
|---|---------------------------|---|--|------------------------------|
| | As at 31st March, 2019 | Recognised in statement of profit or loss | Recognised in / reclassified from other comprehensive income | As at 31st March, 2020 |
| Expenses allowable on payment basis | - | | | |
| Unused tax losses / depreciation | - | (2,547.42) | | (2,547.42) |
| Other items giving rise to temporary differences | 9,417.54 | (24,967.28) | | (15,549.74) |
| Accelerated depreciation for tax purposes | 200.99 | | | 200.99 |
| Timing difference on account of book depreciation and tax depreciation | (1,562.70) | 23,956.08 | | 22,393.38 |
| Finance lease | 5.76 | 4,402.01 | | 4,407.77 |
| Fair valuation of property, plant and equipment (PP&E) | 5,011.97 | | | 5,011.97 |
| Income tax relating to items that will not be reclassified to profit or loss from OCI | (3.72) | | | (3.72) |
| Remeasurement of employee benefit expenses | (5.76) | | (1.87) | (7.63) |
| Deferred tax liability | 13,064.08 | | | 13,905.60 |
| Net expense | | 843.39 | (1.87) | |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

Deferred tax relates to the following:

| Particulars | ₹ in lakhs | | | |
|---|---------------------------|---|--|---------------------------|
| | As at 31st March, 2018 | Recognised in statement of profit or loss | Recognised in / reclassified from other comprehensive income | As at 31st March, 2019 |
| Expenses allowable on payment basis | | | | |
| Unused tax losses / depreciation | | | | |
| Other items giving rise to temporary differences | 9,417.54 | | | 9,417.54 |
| Accelerated depreciation for tax purposes | 200.99 | | | 200.99 |
| Timing difference on account of book depreciation and tax depreciation | - | (1,562.70) | | (1,562.70) |
| Finance lease | 5.76 | | | 5.76 |
| Fair valuation of property, plant and equipment (PP&E) | 5,011.97 | | | 5,011.97 |
| Income tax relating to items that will not be reclassified to profit or loss from OCI | (3.72) | | | (3.72) |
| Remeasurement of employee benefit expenses | (5.76) | | | (5.76) |
| Deferred tax liability | 14,626.78 | | | 13,064.08 |
| Net expense | | (1,562.70) | - | |

The following table provides the details of income tax assets and income tax liabilities as of 31st March, 2020 and 31st March, 2019:

| Particulars | ₹ in lakhs | |
|-------------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Income tax assets | 9,702.11 | 7,586.89 |
| Income tax liabilities | (11,631.99) | (11,047.23) |
| MAT credit entitled during the year | - | |
| | (1,929.88) | (3,460.34) |

Reconciliation of deferred tax (assets) / liabilities net:

| Particulars | ₹ in lakhs | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Opening balance | 13,064.08 | 14,626.79 |
| Tax income during the period recognised in profit or loss | 841.52 | (1,562.71) |
| Closing balance | 13,905.60 | 13,064.08 |

Movement in MAT credit entitlement

| Particulars | ₹ in lakhs | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Balance at the beginning of the year | 10,711.31 | 9,887.85 |
| Add: MAT credit entitlement availed during the year | 584.76 | 823.46 |
| Less: MAT credit utilised during the year | - | - |
| | 11,296.07 | 10,711.31 |

Pursuant to taxation law (amendment) ordinance, 2019 (ordinance) issued by the ministry of law and justice (legislative department) on Sep 20, 2019 effective from 1st April, 2019, domestic companies have an option to pay Corporate Income Tax at 22% plus applicable surcharge and cess (25.17%) subject to certain conditions. The company has made an assessment of impact of the ordinance and decided to continue with existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit.

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

Further, Ind AS 12 requires deferred tax assets and liability to be measured using the enacted (or substantively enacted) tax rate expected to apply to taxable income in the year in which the temporary differences are expected to reverse. The company has made estimate, based on its budget regarding income anticipated in foreseeable future year when those temporary differences are expected to reverse and measured the same at new tax rate. Accordingly the company has re-measured the outstanding deferred tax balances that is expected to reverse in future at new tax rate and amount of that NIL and NIL has been written back in the statement of profit and loss and other equity respectively during the current financial year

NOTE 20: NON-CURRENT OTHER LIABILITIES

| Particulars | ₹ in lakhs | |
|-------------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Export obligation deferred income * | 7,273.05 | 7,846.08 |
| Lease obligation | 6,493.98 | 6,709.72 |
| | 13,767.03 | 14,555.80 |

*Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant and accounted in revenue on fulfillment of export obligation. Refer note and being amortised over the useful life of such assets

NOTE 21: CURRENT FINANCIAL LIABILITIES - BORROWINGS

| Particulars | ₹ in lakhs | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Unsecured loans (Refer note 16.1) | | |
| Buyers Credit | 8,141.60 | - |
| Overdraft | 1,906.78 | - |
| Loans from related party (Refer Note 34 and 16.1) | 5,500.00 | 5,500.00 |
| | 15,548.38 | 5,500.00 |

NOTE 22: CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Due to micro and small enterprises | 20.80 | 34.11 |
| Due to creditors other than micro and small enterprises | | |
| Other than Acceptance (for related parties, Refer Note 34) | 8,245.73 | 3,146.94 |
| | 8,266.53 | 3,181.05 |

NOTE 23: CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Current maturity of long term borrowings (Refer Note 16) | 5,451.19 | 3,979.59 |
| Interest accrued but not due on borrowing | 946.49 | 544.35 |
| Interest accrued and due on ICD (Refer Note 34) | 254.93 | 317.72 |
| Payable for capital projects | | |
| Acceptance ** | - | 1,522.84 |
| Other than acceptance | 8,160.20 | 5,533.38 |
| Retention Money | 2,165.09 | 1,832.19 |
| Security deposit | 2,581.01 | 2,500.00 |
| Employee dues | 167.09 | 184.66 |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

| Particulars | ₹ in lakhs | |
|---------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Other payables* | 3,241.24 | 2,950.79 |
| Lease Liability (Refer Note 39) | 6.77 | - |
| | 22,974.01 | 19,365.52 |

(i) *Other payables includes payment to vendors etc.

(ii) **Acceptances include credit availed by the Company from Banks for payment to suppliers for capital items. The arrangements are interest-bearing and are payable within one year.

(iii) For Lease Liability, Please refer Note (i) to (iv) of Note 17

NOTE 24: OTHER CURRENT LIABILITIES

| Particulars | ₹ in lakhs | |
|-----------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Advance from Customers | 44.47 | 256.98 |
| Statutory liabilities | 124.40 | 119.19 |
| Export obligation deferred income | 571.46 | 571.46 |
| | 740.33 | 947.63 |

*Others amount includes advances from customers & group company.

NOTE 25: SHORT-TERM PROVISIONS

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Provision for Employee Benefits expenses | | |
| Provision for compensated Absences (refer note 36) | 7.22 | 7.96 |
| | 7.22 | 7.96 |

NOTE 26: REVENUE FROM OPERATIONS

| Particulars | ₹ in lakhs | |
|--------------------------------------|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Income from contracts with customers | | |
| Cargo handling income | 33,950.29 | 30,086.50 |
| Wharfage | 2,985.66 | 4,217.66 |
| Dust suppression | 140.64 | 219.67 |
| Storage income | 1,865.30 | 2,096.75 |
| Port dues | 1,912.47 | 2,072.89 |
| Pilotage & tug hire | 2,699.94 | 3,060.54 |
| Berth hire charges | 6,847.50 | 8,534.98 |
| Freight-MBC | 3,105.98 | 2,751.56 |
| Cape dredging | 5,052.71 | 5,559.07 |
| Other operating revenue | 1,452.75 | 464.78 |
| | 60,013.24 | 59,064.40 |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

Revenue recognized from Contract liability (Advances from Customers)

| Particulars | ₹ in lakhs | |
|---|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Trade Receivable (Gross) (Refer Note. No. 9) | 27,082.80 | 16,967.12 |
| Contract Liabilities | | |
| Closing Balance of Contract Liability (Refer Note 24) | 44.47 | 256.98 |

The contract liability outstanding at the beginning of the year has been recognized as revenue during the year ended 31st March, 2020.

NOTE 27: OTHER INCOME

| Particulars | ₹ in lakhs | |
|--|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Interest Income earned on financial assets that are not designated as FVTPL | | |
| Interest from related parties | 397.18 | 405.36 |
| Interest from Bank deposit | 56.29 | 191.85 |
| Interest others | 0.02 | 6.76 |
| Realised Gain on sale of current investments designated as FVTPL | 117.03 | 103.51 |
| Unrealised Fair value gain arising from financial instrument designated as FVPTL | - | 24.99 |
| Exchange gain | - | 98.86 |
| Government grant income | | |
| Government grant incentive income (SEIS)* | 800.00 | 650.79 |
| Export obligation deferred income amortization | 573.03 | 571.46 |
| Profit on Sale of PPE (net) | 16.01 | - |
| Lease Rent Income | 215.73 | 139.78 |
| Miscellaneous income | 1,460.31 | 607.14 |
| | 3,635.60 | 2,800.50 |

* SEIS = Service Export Incentive Scheme

The Government with a view to incentivise the service exports introduced the Service Export Incentive Scheme (SEIS) in Foreign Trade Policy for 2015-20. The scheme covers services provided from India to any other country and services provided to the foreign consumer.

NOTE 28: OPERATING EXPENSES

| Particulars | ₹ in lakhs | |
|-------------------------------------|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Cargo handling expenses | 14,245.89 | 12,903.74 |
| Royalty charges-MMB | 2,692.38 | 3,064.72 |
| Repair & maintenance charges | 2,168.54 | 2,286.61 |
| Diesel, lubricants and oil expenses | 2,486.17 | 2,381.63 |
| Water charges | 11.54 | 0.68 |
| Tug and pilotage charges | 668.18 | 514.80 |
| Maintenance dredging charges | 1,424.80 | 1,240.32 |
| MBC operating expenses | 1,177.98 | 1,199.31 |
| Other operating expenses | 30.35 | 57.73 |
| | 24,905.83 | 23,649.54 |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 29: EMPLOYEE BENEFITS EXPENSE

| Particulars | ₹ in lakhs | |
|---|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Salaries, wages and bonus | 1,330.82 | 1,478.95 |
| Contributions to provident and other fund (Refer Note 36) | 81.82 | 82.08 |
| Gratuity expense (Refer Note 36) | 16.37 | - |
| ESOP expenses (Refer Note 37) | 483.26 | 37.99 |
| Staff welfare expenses | 90.70 | 100.43 |
| | 2,002.97 | 1,699.45 |

NOTE 30: FINANCE COSTS

| Particulars | ₹ in lakhs | |
|---|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Interest On | | |
| Loan | 9,582.02 | 9,471.02 |
| Loan from related parties (Refer Note 34) | 563.75 | 544.50 |
| Lease Liability | 215.73 | 139.78 |
| Exchange differences regarded as an adjustment to borrowing costs | 6,983.95 | 5,181.00 |
| Other finance costs | 302.45 | 31.03 |
| | 17,647.90 | 15,367.33 |

NOTE 31: DEPRECIATION AND AMORTISATION EXPENSE

| Particulars | ₹ in lakhs | |
|-------------------------------------|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Depreciation on Tangible Assets | 12,698.14 | 11,557.50 |
| Depreciation on Right of Use Assets | 32.24 | - |
| Amortisation on Intangible Assets | 29.11 | 51.70 |
| | 12,759.49 | 11,609.20 |

NOTE 32: OTHER EXPENSES

| Particulars | ₹ in lakhs | |
|---|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Rent, taxes and energy costs | 371.82 | 298.58 |
| General office expenses and overheads | 289.60 | 320.71 |
| Business development expenses | 61.50 | 66.44 |
| Business support service | 879.85 | 607.78 |
| Directors sitting fees | 22.20 | 21.41 |
| Auditor's fees and expenses (Refer note no 46) | 11.44 | 11.66 |
| Legal and Professional charges | 312.69 | 190.93 |
| Insurance | 668.56 | 482.39 |
| Vehicle hiring & maintenance | 217.18 | 161.50 |
| Security charges | 212.92 | 145.21 |
| Environment protection expenses | 92.61 | 6.58 |
| Travelling expenses | 30.71 | 24.28 |
| Corporate Social Responsibility expenses (Refer note no 45) | 266.65 | 287.00 |
| | 3,437.73 | 2,624.47 |

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AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 33: CONTINGENT LIABILITIES AND COMMITMENTS**A. Contingent Liabilities: (to the extent not provided for)**

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| (a) Claims against the company not acknowledged as debts | | |
| Bank Guarantee | 4,708.50 | 1,164.64 |
| Letter of Credit | 1,111.18 | 3,815.36 |
| (b) Service tax liability that may arise in respect of matters in appeal | 5,472.96 | 6,678.57 |
| (c) Disputed income tax liability | | |
| A.Y. 2008-2009 | 60.54 | 60.54 |
| A.Y. 2013-2014 | 431.10 | 431.10 |
| | 11,784.28 | 12,150.21 |

B. Commitments: (net of advances)

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 3,360.45 | 7,515.15 |
| Other Commitment | | |
| The company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of zero or concessional custom duty rate. These benefits are subject to future exports. Such export obligations at year end aggregate to | 32,213.65 | 43,613.65 |

Notes:

- The company does not expect any reimbursement in respect of the above contingent liabilities.
- It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above, pending resolution of the arbitration / appellate proceedings.
- Company has fulfilled export obligation of ₹ 69963.74 lakhs till 31st March, 2020.

NOTE 34: DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES**(a) List of Related Parties**

| Name of the Subsidiary |
|----------------------------|
| Jaigarh Digni Rail Limited |

List of Related Parties other than subsidiaries

| Name | Nature of Relation |
|--|--------------------|
| JSW Infrastructure Limited | Holding Company |
| JSW Dharamtar Port Private Limited | Fellow Subsidiary |
| JSW Shipyards Private Limited | Fellow Subsidiary |
| Nandgaon Port Private Limited | Fellow Subsidiary |
| JSW Paradip Terminal Private Limited | Fellow Subsidiary |
| JSW Mangalore Container Terminal Private Limited | Fellow Subsidiary |
| South West Port Limited | Fellow Subsidiary |
| JSW Steel Limited | Others |
| Amba River Coal Limited | Others |
| JSW Energy Limited | Others |
| JSW Cement Limited | Others |
| JSW Steel Coated Products Limited | Others |

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AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

| Name | Nature of Relation |
|--|--------------------|
| JSW Jaigarh Port Employees Welfare Trust | Others |
| JSW Infrastructure Employees Welfare Trust | Others |
| JSW Global Business Solution Private Limited | Others |
| Jsoft Solution Private Limited | Others |
| Jindal Vidya Mandir Trust | Others |
| JSW Foundation | Others |
| JSW IP Holding Private Limited | Others |

Key Managerial Personnel

| Name | Nature of Relation |
|---|-------------------------|
| Arun Sitaram Maheshwari (from 18.04.2019) | Joint Managing Director |
| Raju Kumar Dokania | Chief Financial Officer |
| Miraj Shah | Company Secretary |

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

| Nature of transaction/relationship | ₹ in lakhs | |
|---------------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Purchase of goods and services | | |
| JSW Infrastructure Limited | 8,000.00 | 7,779.24 |
| JSW Steel Limited (Dolvi Plant) | 124.15 | 153.90 |
| JSW Steel Limited (Vijay Nagar Plant) | 48.89 | - |
| JSW Steel Coated Product Limited | 24.39 | 38.69 |
| JSW IP Holding Private Limited | 150.14 | 69.86 |
| South West Port Limited | 1,597.25 | 677.61 |
| JSW Dharamtar Port Private Limited | 615.08 | 430.68 |
| JSW Cement Limited | 15.66 | - |
| | 10,575.56 | 9,149.98 |
| Sales of goods and services | | |
| JSW Energy Limited | 14,243.18 | 13,741.81 |
| JSW Steel Limited (Dolvi Plant) | 11,102.84 | 12,953.98 |
| Amba River Coke Limited | 4,729.08 | 8,574.40 |
| JSW Steel Limited (Vijay Nagar Plant) | 681.01 | 2,682.57 |
| | 30,756.11 | 37,952.76 |
| Donation / CSR Expenses | | |
| JSW Foundation | 244.14 | - |
| | 244.14 | - |
| Corporate Guarantee Charges | | |
| JSW Infrastructure Limited | 72.39 | - |
| | 72.39 | - |
| Interest expense | | |
| South West Port Limited | 563.75 | 544.50 |
| | 563.75 | 544.50 |
| Interest income | | |
| Jaigarh Digni Rail Limited | 99.72 | 2.56 |
| Total | 99.72 | 2.56 |
| Rent paid | | |
| South West Port Limited | 300.00 | 300.00 |
| | 300.00 | 300.00 |
| Cargo handling income | | |
| JSW Dharamtar Port Private Limited | 1,000.00 | 1,001.58 |
| | 1,000.00 | 1,001.58 |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

| Nature of transaction/relationship | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Loan amount received | | |
| Jaigarh Digni Rail Limited | 100.00 | - |
| | 100.00 | - |
| Security deposit refund | | |
| JSW Dharamtar Port Private Limited | 966.67 | 1,208.33 |
| | 966.67 | 1,208.33 |
| Reimbursement of expenses incurred by our behalf | | |
| JSW Infrastructure Limited | 737.27 | 665.44 |
| JSW Dharamtar Port Private Limited | - | 92.49 |
| JSW Steel Limited (Dolvi Plant) | 0.35 | - |
| | 737.62 | 757.93 |
| Recovery of expenses incurred by us on their behalf | | |
| Jaigarh Digni Rail Limited | 13.74 | - |
| | 13.74 | 0.01 |

Amount due to / from related parties

| Nature of transaction/relationship | ₹ in lakhs | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Accounts payable | | |
| JSW Infrastructure Limited | 6,352.11 | 4,928.03 |
| JSW Dharamtar Port Private Limited | 392.68 | 93.98 |
| South West Port Limited | 799.65 | 126.61 |
| JSW Global Business Solution Limited | 8.61 | - |
| JSW Steel Limited (Dolvi Plant) | 611.70 | 615.57 |
| JSW Steel Limited (Vijay Nagar Plant) | 276.35 | 283.85 |
| JSW Cement Ltd. | 15.66 | - |
| JSW Foundation | 0.14 | - |
| | 8,456.90 | 6,048.04 |
| Accounts receivable | | |
| JSW Dharamtar Port Private Limited | 87.75 | 49.06 |
| Finance Lease:- JSW Dharamtar Port Private Limited | 12,598.64 | 13,298.93 |
| JSW Energy Limited | 4,534.87 | 5,668.46 |
| JSW Steel Limited (Dolvi Unit) | 5,535.76 | 1,333.48 |
| JSW Steel Limited (Vijay Nagar) | 2,082.78 | 1,993.11 |
| Amba River Coke Limited | 1,942.90 | 820.83 |
| JSW IP Holding Private Limited | 1.91 | - |
| JSW Steel Coated Products Ltd | 2.76 | 27.02 |
| Jaigarh Digni Rail Limited | 3.82 | - |
| JSW Paradip Terminal Private Limited | 5.19 | - |
| | 26,796.38 | 23,190.89 |
| Amount due to / from related parties | | |
| Loans and advances receivables Other Related Party | | |
| JSW Jaigarh Port Employees Welfare Trusts | 12.52 | 12.52 |
| JSW Infrastructure Employees Welfare Trusts | 41.58 | 41.58 |
| Jaigarh Digni Rail Limited * | 992.31 | 1,002.56 |
| | 1,046.41 | 1,056.66 |
| Loans and advances payable | | |
| South West Port Limited (Including Accrued Interest) | 5,754.93 | 5,990.05 |
| | 5,754.93 | 5,990.05 |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

| Nature of transaction/relationship | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Capital Advances given for material and services | | |
| JSW Shipyards Private Limited | 60.00 | 60.00 |
| | 60.00 | 60.00 |
| Corporate Guarantees Received | | |
| JSW Infrastructure Limited | 507.66 | 580.05 |
| | 507.66 | 580.05 |
| Security Deposit received for assets, material and services | | |
| JSW Energy Limited | 5,350.00 | 5,350.00 |
| JSW Dharamtar Port Private Limited | 11,576.78 | 12,543.45 |
| | 16,926.78 | 17,893.45 |

* Jaigarh Digni Rail Ltd: The amount of 992.31 includes interest accrued of ₹ 92.31 lakhs

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

Compensation of key managerial personnel*

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Short-term employee benefits | 40.13 | 21.29 |
| Post employment benefits (Refer Note (a) below) | - | - |
| Other long term benefits | - | - |
| Terminal benefits | - | - |
| Share based payments (Refer Note (b) below) | - | - |
| Total compensation paid to key managerial personnel | 40.13 | 21.29 |

- As the future liability of the gratuity is provided on actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above
- The remuneration include perquisite value of ESOPs in the year it is exercised ₹ NIL (P.Y. ₹NIL). The company has recognised an expense of ₹ 3.93 lakhs (P.Y ₹ 0.22 lakhs) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under section 2(78) of the Companies Act, 2013 as the options have not been exercised.
- Short Term employee benefits includes amount paid by JDRL (Subsidiary Company) by ₹ 8.16 lakhs.
- Salary of Mr. Arun Sitaram Maheshwari is paid by South West Port Limited, the fellow subsidiary company.

Terms and Conditions**Sales:**

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31st March, 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

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AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

Loans to Related Parties:

The Company had given loans to related parties for business requirement. The loan balances as at 31st March, 2020 was 1046.14 lakhs (As on 31st March, 2019: 1056.66 lakhs). These loans are unsecured in nature.

- (a) Loan to JDRL: The tenure of the loan is one year from the date of disbursement and interest is at the rate one year SBI MCLR plus 175 basis points per year.
- (b) Other Loan: these loans are given as interest free.

Financial Guarantees from Holding Company

Financial guarantees received from the holding company are for availing term loan and the transactions are in ordinary course of business and at arms' length basis.

Lease Rent Receipts

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 requirement of Ind AS 116 - Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116 - Leases, payments and other considerations required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

Cargo handling Income as per Indian Generally Accepted Accounting Policies (IGAAP) is ₹1,000 Lakhs which has been reduced by ₹ 1,000 Lakhs on account of Ind AS and reclassified separately as (a) Finance Lease Receivable Repayment of ₹ 700.29 lakhs and (b) under Other Income as Interest on finance lease of, ₹ 299.71 lakhs; thus resulting in net decrease of revenue from operations by ₹ 700.29 lakhs.

Lease Rent Paid:

The Company has agreed to pay rental of ₹ 25 lakhs p.m. and it is fixed for the term without escalation. The agreements are executed for a period of 1 years The lessor may subject to written notice of 7 days take the possession

Interest Income

Interest is accrued on loan given to related party as per terms of agreement.

NOTE 35: PRE-OPERATIVE EXPENSES DURING THE YEAR

| Particulars | ₹ in lakhs | |
|----------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Employee benefits expenses | - | 98.07 |
| Insurance charges | - | 73.09 |
| Legal and professional charges | - | 261.23 |
| Interest on long-term borrowings | 723.79 | 1,277.39 |
| | 723.79 | 1,709.78 |

NOTE 36: DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS

(a) Defined contribution plans:

The Company's contribution to Provident Fund ₹ 58.88 lakhs (Previous year ₹ 62.20 lakhs) is recognised as an expense and included in Employee benefits expense.

(b) Defined benefit plans:

Gratuity:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

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.

As the gratuity fund is managed by life insurance company, details of fund invested by insurer are not available with company.

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

Investment Risk:

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

Interest Risk:

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

Longevity risk:

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

Salary risk:

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

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

| Particulars | ₹ in lakhs | |
|--|--|--|
| | Gratuity | |
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| | (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 | 109.41 | 71.43 |
| Interest cost | 8.52 | 5.59 |
| Current service cost | 16.37 | 14.78 |
| Liability Transferred In/ Acquisitions | 5.96 | |
| Benefits paid | (12.00) | (9.69) |
| Actuarial changes arising from changes in financial assumptions | 12.29 | 0.45 |
| Actuarial changes arising from changes in experience adjustments | (8.13) | 26.84 |
| Present Value of defined benefit obligation at the end of the year | 132.42 | 109.41 |
| Change in fair value of plan assets during the year | | |
| Fair value of plan assets at the beginning of the year | 143.64 | 88.03 |
| Interest Income | 11.19 | 6.89 |
| Contributions paid by the employer | 16.98 | 57.61 |
| Benefits paid from the fund | (12.00) | (9.69) |
| Return on plan assets excluding interest income | (1.17) | 0.79 |
| Fair value of plan assets at the end of the year | 158.64 | 143.64 |
| Amount Recognized in the Balance Sheet | | |

NOTES

AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

₹ in lakhs

| Particulars | Gratuity | |
|--|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| | (Funded) | (Funded) |
| Present Value of defined benefit obligation at the end of the year | (132.42) | (109.41) |
| Fair value of plan assets at the end of the year | 158.64 | 143.64 |
| Funded Status (Surplus/ (Deficit)) | 26.22 | 34.23 |
| Net (Liability)/Asset Recognized in the Balance Sheet | 26.22 | 34.23 |
| Expenses recognised in the statement of profit and loss for the year | | |
| Current service cost | 16.37 | - |
| Interest cost on benefit obligation (net) | (2.67) | - |
| Total expenses included in employee benefits expense | 13.70 | - |
| Recognised in other comprehensive income for the year | | |
| Actuarial changes arising from changes in demographic assumptions | 4.16 | - |
| Return on plan assets excluding interest income | 1.17 | - |
| Recognised in other comprehensive income | 5.32 | - |
| Maturity profile of defined benefit obligation | | |
| Within the next 12 months (next annual reporting period) | 3.02 | 4.12 |
| Between 2 and 5 years | 15.10 | 13.35 |
| Between 6 and 10 years | 69.68 | 67.48 |
| Between 11 and above years | 226.92 | 204.99 |
| Quantitative sensitivity analysis for significant assumption is as below: | | |
| Increase / (decrease) on present value of defined benefits obligation at the end of the year: | 132.42 | 109.41 |
| One percentage point increase in discount rate | (13.14) | (10.50) |
| One percentage point decrease in discount rate | 15.32 | 12.20 |
| One percentage point increase in rate of salary Increase | 15.30 | 12.30 |
| One percentage point decrease in rate of salary Increase | (13.36) | (10.76) |
| One percentage point increase in employee turnover rate | 0.65 | 1.32 |
| One percentage point decrease in employee turnover rate | (0.77) | (1.52) |
| Sensitivity Analysis Method: | | |
| Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count. | | |
| There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years | | |
| Actuarial assumptions | | |
| Discount rate | 6.86% | 7.79% |
| Salary escalation | 6.00% | 6.00% |
| Mortality rate during employment | 2006-08 | 2006-08 |
| Mortality post retirement rate | NA | NA |
| Rate of Employee Turnover | 2.00% | 2.00% |
| Other details | | |
| No of Active Members | 105 | 111 |

Experience adjustments:-

₹ in lakhs

| Particulars | 2019-20 | 2018-19 | 2017-18 | 2016-17 | 2015-16 |
|--|----------|----------|---------|---------|---------|
| Defined Benefit Obligation | (132.42) | (109.41) | (71.43) | (81.74) | (60.22) |
| Plan Assets | 158.64 | 143.64 | 88.03 | 61.33 | 45.02 |
| Surplus / (Deficit) | 26.22 | 34.23 | 16.59 | (20.41) | (15.20) |
| Experience Adjustments on Plan Liabilities - Loss / (Gain) | (8.13) | 26.84 | (6.37) | (2.50) | (4.81) |
| Experience Adjustments on Plan Assets - Loss / (Gain) | (1.17) | 0.79 | 0.22 | (2.91) | 17.89 |

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

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- b) In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.
- c) Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.
- d) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- e) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

Compensated Absences**Assumptions used in accounting for compensated absences**

| Particulars | ₹ in lakhs | |
|---|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Present Value of unfunded obligation (₹ in lakhs) | 88.40 | 80.40 |
| Expense recognised in Statement of profit and loss (₹ in lakhs) | 18.19 | 16.20 |
| Discount Rate (p.a) | 6.86% | 7.79% |
| Salary escalation rate (p.a) | 6.00% | 6.00% |

NOTE 37: 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 | Forth Grant |
| | 13th June, 2016 | 17th May, 2017 | 3rd July, 2018 | 21st May, 2019 |
| Vesting period | 1 year | 3.5 years | 3.5 years | 3.5 years |
| Exercise period | 1 year | 1 year | 1 year | 1 year |
| Expected life | 5.5 years | 5.63 years | 5 years | 4.61 years |
| Weighted average Exercise price on the date of grant | ₹ 897 | ₹ 996 | ₹ 869 | ₹ 973 |
| Weighted average fair value as on grant date | ₹ 516.82 | ₹ 685.00 | ₹ 585.02 | ₹ 603.90 |

| Particulars | ESOP Plan 2016 | | | |
|--|-----------------|----------------|----------------|----------------|
| | First Grant | Second Grant | Third Grant | Forth Grant |
| | 13th June, 2016 | 17th May, 2017 | 3rd July, 2018 | 21st May, 2019 |
| Options Granted | 51,812 | 35,627 | 55,981 | 60,287 |
| Option Vested | 20,021 | 31,027 | 51,158 | 55,578 |
| Options Exercised | - | - | - | - |
| Options lapsed | 14,569 | 3,884 | 3,972 | 4,709 |
| Transfer arising from transfer of employees within group companies | -17,222 | -716 | -851 | - |
| Options bought-out during the year | - | - | - | - |
| Total number of options outstanding | 20,021 | 31,027 | 51,158 | 55,578 |

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:

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| Particulars | ₹ in lakhs | |
|--|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Expense arising from equity settled share based payment transactions | 483.26 | 37.99 |

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 | Forth Grant |
| Grant Date | 13th June, 2016 | 17th May, 2017 | 3rd July, 2018 | 21st May, 2019 |
| Weighted average share price on the date of grant | ₹ 997 | ₹ 1,245 | ₹ 1,086 | ₹ 1,217 |
| Weighted average Exercise price on the date of grant | ₹ 897 | ₹ 996 | ₹ 869 | ₹ 973 |
| Expected volatility (%) | 38.33% | 37.71% | 37.09% | 35.20% |
| Expected life of the option (years) | 5.5 years | 5.63 years | 5 years | 4.61 years |
| Expected dividends (%) | 0% | 0% | 0% | 0% |
| Risk-free interest rate (%) | 7.43% | 6.98% | 7.97% | 6.97% |
| Weighted average fair value as on grant date | ₹ 516.82 | ₹ 685.00 | ₹ 585.02 | ₹ 603.90 |

The activity in the ESOP Plans for equity-settled share based payment transactions during the year ended 31st March, 2020 is set out below:

| Particulars | ESOP Plan 2016 | | | |
|--|-----------------|----------------|----------------|----------------|
| | First Grant | Second Grant | Third Grant | Forth Grant |
| Grant Date | 13th June, 2016 | 17th May, 2017 | 3rd July, 2018 | 21st May, 2019 |
| Outstanding as at 1st April, 2018 | 40,912 | 35,627 | - | - |
| Granted during the year | - | - | 55,981 | - |
| Forfeited during the year | 3,669 | - | - | - |
| Exercised during the year | - | - | - | - |
| Transfer arising from transfer of employees within group companies | -13,506 | - | - | - |
| Bought-out during the year | - | - | - | - |
| Outstanding as at 31st March, 2019 | 23,737 | 35,627 | 55,981 | - |
| Granted during the year | - | - | - | 60,287 |
| Forfeited during the year | - | 3,884 | 3,972 | 4,709 |
| Exercised during the year | - | - | - | - |
| Transfer arising from transfer of employees within group companies | -3,716 | -716 | -851 | - |
| Bought-out during the year | - | - | - | - |
| Outstanding as at 31st March, 2020 | 20,021 | 31,027 | 51,158 | 55,578 |

NOTE 38.1: 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.

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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 | ₹ in lakhs | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Long term borrowings | 139,264.15 | 136,466.49 |
| Current maturity of long term borrowings | 5,451.19 | 3,979.59 |
| Short term borrowings | 15,548.38 | 7,022.84 |
| Less:- Investment in Mutual Fund (Liquid Funds) | - | 4,819.80 |
| Less:- Cash & cash equivalent | 2,034.19 | 1,338.75 |
| Less:- Bank Balance other than above | 194.96 | - |
| Net debt | 158,034.57 | 141,310.37 |
| Total equity | 129,549.95 | 127,018.59 |
| Gearing Ratio | 1.22 | 1.11 |

- (i) Equity includes all capital and reserves of the Company that are managed as capital.
- (ii) Debt is defined as long term and Short-term borrowings, as described in note 16 & 23

NOTE 38.2: Categories of financial instrument

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

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

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

| Particulars | Level | Carrying amount | | Fair value | |
|---|-------|------------------------------|------------------------------|------------------------------|------------------------------|
| | | As at 31st March, 2020 | As at 31st March, 2019 | As at 31st March, 2020 | As at 31st March, 2019 |
| | | ₹ in lakhs | | ₹ in lakhs | |
| Financial assets: | | | | | |
| Trade receivables | | 27,006.65 | 16,883.46 | 27,006.65 | 16,883.46 |
| Cash and bank balances | | 2,034.19 | 1,338.75 | 2,034.19 | 1,338.75 |
| Bank Balance other than above | | 194.96 | - | 194.96 | - |
| Loan and Advances | | 961.60 | 1,061.60 | 961.60 | 1,061.60 |
| Other financial assets (non-current) | | 13,022.48 | 14,028.49 | 13,022.48 | 14,028.49 |
| Other financial assets (current) | | 95.86 | - | 95.86 | - |
| | | 43,315.74 | 33,312.30 | 43,315.74 | 33,312.30 |
| Financial liabilities: | | | | | |
| Long Terms Borrowings at amortised cost * | 2 | 144,715.33 | 140,446.07 | 144,715.33 | 140,446.07 |
| Short Term Borrowings | 2 | 15,548.38 | 5,500.00 | 15,548.38 | 5,500.00 |
| Trade and other payables | | 8,266.53 | 3,181.05 | 8,266.53 | 3,181.05 |
| Other financial liabilities (non-current) | | 8,736.40 | 9,342.46 | 8,736.40 | 9,342.46 |
| Other financial liabilities (current) | | 17,522.82 | 15,385.94 | 17,522.82 | 15,385.94 |
| | | 194,789.46 | 173,855.52 | 194,789.46 | 173,855.52 |

* including current maturities of long term debt

* The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short term nature.

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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 39: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Interest rate risk

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

Exposure to interest rate risk

| Particulars | ₹ in lakhs | |
|--------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Fixed Rate Borrowing | 5,500.00 | 5,500.00 |
| Floating rate borrowings | 155,602.58 | 141,416.99 |
| Less: Upfront fees | (838.87) | (970.92) |
| Total Borrowings | 160,263.71 | 145,946.07 |

The sensitivity analysis below has been determined based on the exposure through interest rate of floating rate liability, assuming the amount of liability outstanding at the year end was outstanding for the whole year

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

| Particulars | ₹ in lakhs | |
|-------------------------------------|------------|---------|
| | 2019-20 | 2018-19 |
| 25 bp increase - Decrease in profit | 389.01 | 353.54 |
| 25 bp decrease - Increase in profit | 389.01 | 353.54 |

Market risk:

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

Foreign currency risk:

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

| Foreign currency exposure (Term Loan + Buyers Credit+Accrued Interest) | ₹ in lakhs | | Foreign Currency in lakhs | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 | As at 31st March, 2020 | As at 31st March, 2019 |
| USD | 90,815.59 | 77,274.73 | 1,204.68 | 1,117.15 |
| JPY | - | - | - | - |

The above funding is unhedged (FCTL & BC)

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

| Foreign currency exposure (Term Loan + Buyers Credit+Accrued Interest) | For the year ended 31st March, 2020 | | For the year ended 31st March, 2019 | |
|--|-------------------------------------|--------------|-------------------------------------|--------------|
| | 1 % Increase | 1 % decrease | 1 % Increase | 1 % decrease |
| USD | (908.16) | 908.16 | (772.75) | 772.75 |
| JPY | - | - | - | - |
| Increase/ (decrease) in profit or loss | (908.16) | 908.16 | (772.75) | 772.75 |

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 ₹ 20924.80 lakhs and ₹ 14784.18 lakhs as of 31st March, 2020 and 31st March, 2019, respectively. The Company has its major revenue from group companies however due to third party cargo handling small quantum of credit risk is perceived.

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

| Particulars | Percentage | ₹ in lakhs | | |
|------------------------------|------------|-------------------------------------|------------|-------------------------------------|
| | | For the year ended 31st March, 2020 | Percentage | For the year ended 31st March, 2019 |
| Revenue from group companies | 65.59% | 39,364.04 | 73.51% | 43,418.15 |
| Revenue from third parties | 34.41% | 20,649.19 | 26.49% | 15,646.25 |
| | 100.00% | 60,013.24 | 100.00% | 59,064.40 |

Credit Risk Exposure

The allowance for lifetime expected credit loss on customer balances for the year ended 31st March, 2020 and 31st March, 2019 was ₹ NIL lakhs and ₹ NIL lakhs respectively.

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

Liquidity risk:

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

As of 31st March, 2020, the Company had a working capital of ₹ 20113 lakhs and As of 31st March, 2019, the Company had a working capital of ₹ 15041 lakhs. The Company is confident of managing its financial obligation through short term borrowing and liquidity management.

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Maturity profile:

| As at 31st March, 2020 | | | | ₹ in lakhs |
|--|--------------------|--------------|-------------|-------------|
| | Less than one year | 1 to 5 years | > 5 years | Total |
| Financial Assets | | | | |
| Trade receivables | 27,006.65 | - | - | 27,006.65 |
| Cash and cash equivalents | 2,034.19 | - | - | 2,034.19 |
| Bank Balance other than above | 194.96 | - | - | 194.96 |
| Loans | 961.60 | - | - | 961.60 |
| Other financial assets (non-current & current) | 789.20 | 4,217.18 | 8,111.96 | 13,118.34 |
| Financial Liabilities | | | | |
| Borrowings (non current)* | 5,451.19 | 37,453.63 | 1,01,810.51 | 1,44,715.34 |
| Borrowings (current) | 15,548.38 | - | - | 15,548.38 |
| Trade payables | 8,266.53 | - | - | 8,266.53 |
| Other financial liabilities (non-current) | 775.46 | 5,704.24 | 2,244.46 | 8,724.16 |
| Other financial liabilities (current) | 17,516.05 | - | - | 17,516.05 |
| Right to use Lease Liability (non-current & Current) | 6.77 | 12.24 | - | 19.01 |

* Including current maturity

| As at 31st March, 2020 | | | | ₹ in lakhs |
|--|--------------------|--------------|-----------|-------------|
| | Less than one year | 1 to 5 years | > 5 years | Total |
| Financial Assets | | | | |
| Trade receivables | 16,883.46 | - | - | 16,883.46 |
| Cash and cash equivalents | 1,338.75 | - | - | 1,338.75 |
| Bank Balance other than above | - | - | - | - |
| Loans | 1,061.60 | - | - | 1,061.60 |
| Other financial assets (non-current & current) | 641.08 | 4,313.62 | 9,076.35 | 14,031.05 |
| Financial Liabilities | | | | |
| Borrowings (non current) | 3,979.59 | 36,963.66 | 99,502.83 | 1,40,446.07 |
| Borrowings (current) | 5,500.00 | - | - | 5,500.00 |
| Trade payables | 3,181.05 | - | - | 3,181.05 |
| Other financial liabilities (non-current) | - | 6,634.86 | 2,707.60 | 9,342.46 |
| Other financial liabilities (current) | 15,385.94 | - | - | 15,385.94 |

Capital management:

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

NOTE 40**A. As Lease (Operating Lease)**

- The Company has taken some of assets on lease like Mobile Harbour Crane, office premises on operating lease. The lease rentals are payable by the Company on a monthly basis.
- Lease rentals charged to profit and loss for right to use following assets are:

| Particulars | ₹ in lakhs | |
|----------------------|------------------------|------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Mobile Harbour Crane | 300 | 300 |
| Total | 300 | 300 |

JSW Jaigarh Port Limited has agreed to pay rental of ₹ 25 lakhs p.m. and it is fixed for the term without escalation. The agreements are executed for a period of 1 year.

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(ii) Future minimum lease rentals payable as at 31st March, 2020 as per the lease agreements:

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Not Later than 1 year | 225.00 | 225.00 |
| Later than 1 year and not later than 5 years | - | - |
| Later than 5 years | - | - |
| Total | 225.00 | 225.00 |

B. As Lessor (Finance Lease)

(i) The company has given Barge Unloader on finance lease. The lease rentals are receivable by the company on a monthly basis which is recognised as below:

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Received against finance lease receivables | 700.29 | 655.64 |
| Interest income | 299.71 | 344.36 |

| Particulars | ₹ in lakhs | |
|---------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Gross carrying amount of assets | 14,638.06 | 14,638.06 |
| Accumulated depreciation | 2,366.97 | 1,903.44 |
| Depreciation for the year | 463.54 | 463.54 |

These assets are given on finance lease, hence depreciation is not being recognised

(ii) Future minimum lease rentals receivable as at 31st March, 2020 as per the lease agreements:

| Particulars | ₹ in lakhs | | | |
|---|------------------------|---------------------------|------------------------|---------------------------|
| | As at 31st March, 2020 | | As at 31st March, 2019 | |
| | Minimum payments | Present value of payments | Minimum payments | Present value of payments |
| Not Later than 1 year | 1,000.00 | 693.34 | 1,000.00 | 638.52 |
| Later than 1 year and not later than 5 years | 4,800.00 | 3,793.34 | 4,600.00 | 3,584.06 |
| Later than 5 years | 8,820.00 | 8,111.96 | 9,020.00 | 9,076.35 |
| Total minimum lease payment | 14,620.00 | 12,598.64 | 14,620.00 | 13,298.93 |
| Less: Amounts representing finance charges | (2,021.36) | - | (1,321.07) | - |
| Present value of minimum lease receivables | 12,598.64 | 12,598.64 | 13,298.93 | 13,298.93 |

NOTE 41: IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

| Particulars | For the year ended 31st March, 2020 | | For the year ended 31st March, 2019 | |
|-------------|-------------------------------------|-----------------|-------------------------------------|------------------|
| | % of total consumptions | Value | % of total consumptions | Value |
| Spare parts | | | | |
| Imported | 4.54 | 318.61 | 4.13 | 422.48 |
| Indigenous | 95.46 | 6,694.23 | 95.87 | 9,818.63 |
| | 100.00 | 7,012.84 | 100.00 | 10,241.11 |

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NOTE 42: VALUE OF IMPORTS CALCULATED ON CIF BASIS

| Particulars | ₹ in lakhs | |
|----------------------------|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Raw Material | | |
| Components and spare parts | 627.78 | 160.88 |
| Capital goods | 19,147.17 | 3,029.50 |
| | 19,774.95 | 3,190.38 |

NOTE 43: EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

| Particulars | ₹ in lakhs | |
|----------------|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Revenue spares | 627.78 | 160.88 |
| Capital goods | 19,147.17 | 3,029.50 |
| | 19,774.95 | 3,190.38 |

NOTE 44: EARNINGS IN FOREIGN CURRENCY

| Particulars | ₹ in lakhs | |
|---------------------------|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| Berth hire income (Gross) | 6,847.50 | 8,534.98 |
| Pilotage (Gross) | 2,699.94 | 3,060.54 |
| Port Dues (Gross) | 1,912.47 | 2,072.89 |
| | 11,459.91 | 13,668.41 |

NOTE 45: CORPORATE SOCIAL RESPONSIBILITY (CSR)

| Particulars | ₹ in lakhs | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Amount spent during the year on: | | |
| In Cash | | |
| (i) CSR Expense incurred U/s 135 of the Co's Act, 2013 | 247.65 | 242.00 |
| (ii) Other CSR Expense | - | 45.00 |
| Yet to be paid in cash | | |
| (i) CSR Expense incurred U/s 135 of the Co's Act, 2013 | 19.00 | - |
| (ii) Other CSR Expense | | |
| | 266.65 | 287.00 |

NOTE 46: PAYMENT TO AUDITORS

| Particulars | ₹ in lakhs | |
|------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Statutory Audit fees | 11.00 | 11.00 |
| Out of Pocket expenses | 0.44 | 0.40 |
| Others | - | 0.26 |
| | 11.44 | 11.66 |

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NOTE 47: SEGMENT REPORTING

Considering the inter relationship of various activities of the business, the chief operating 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.

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 operating decision maker, in accordance with Ind-AS 108 "Operating Segment".

| Customers contributing more than 10% of Revenue | ₹ in lakhs | |
|---|--|--|
| | For the year ended 31st March, 2020 | For the year ended 31st March, 2019 |
| JSW Steels Limited | 11,783.85 | 15,636.56 |
| JSW Energy Limited | 14,243.18 | 13,741.81 |
| Hiralal and Company | 6,380.30 | 7,722.24 |

NOTE 48: 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 49: The Company is yet to receive balance confirmation in respect of certain sundry creditors, advances and debtors. The management does not expect any material difference affecting the current years financial statements due to the same.

NOTE 50: DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 33 EARNINGS PER SHARE

| Particulars | ₹ in lakhs | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| Face value of equity share (₹) | 10.00 | 10.00 |
| Weighted average number of equity shares outstanding | 400,500,000.00 | 400,500,000.00 |
| Profit for the year (₹ in lakhs) | 2,048.07 | 7,716.19 |
| Weighted average earnings per share (Basic and Diluted) (₹) | 0.51 | 1.93 |

NOTE 51: The additional information pursuant to Schedule III of Companies Act, 2013 is either nil or not applicable.

NOTE 52: Previous year's figures have been reclassified/re-grouped, wherever necessary, to confirm with the current year's classification.

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Note 53: India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide coronavirus pandemic. Considering that the Company is in the business of essential services, management believes that there is not much of an impact likely due to this pandemic including the utilization of install capacity. To manage the expected liquidity risk, the Company has availed debt moratorium for some term loans under the relief package issued by the Reserve Bank of India (RBI) and would re-prioritize discretionary capital expenditure in the immediate future.

Going concern assessment:

The Company has continued its operations during lockdown due to the outbreak of COVID-19 as the Port Service is considered as one of the essential services by the Government. The Company's substantial port infrastructure capacities are tied up under medium to long term service agreements with its customers, which insulates revenue of the Company under such contracts.

Based on initial assessment, the management does not expect any medium to long-term impact on the business of the Company. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, its infrastructure assets, inventory, loans, receivables and debt covenants basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to above, and the Company's liquidity position, there is no uncertainty in meeting financial obligations over the foreseeable future.

As per our attached report of even date

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

Hitesh R Khandhadia
Partner
Membership No. 158148
UDIN - 20158148AAAABF3644

Dated: 3rd June, 2020
Place: Mumbai

For and on behalf of the Board of Directors

Arun Maheshwari
Joint Managing Director
DIN: 01380000

Raju Kumar Dokania
Chief Financial Officer
(AHYPD2740F)

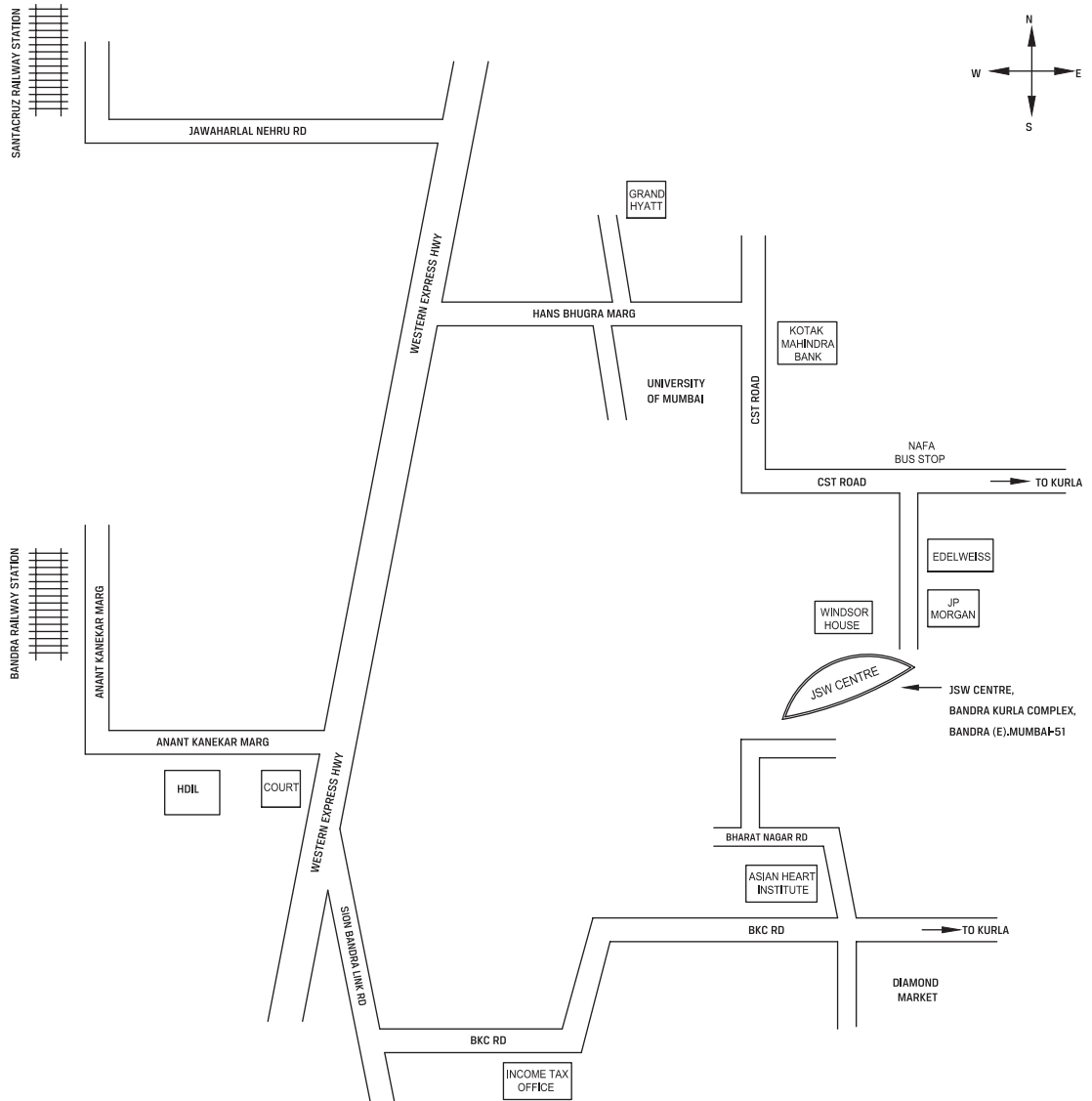
Dated: 29th May, 2020
Place: Mumbai

N K Jain
Director
DIN: 00019442

Miraj Shah
Company Secretary
M. No. 41912

Note : The standalone financial statement have been adopted by the Board on 29th May, 2020 and Signed by us on 3rd June, 2020. During this period, there has been no material events that causes changes in the standalone financial statement.

MAP



FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

| Particulars | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| Throughput (MMT) | 8.27 | 9.83 | 10.24 | 13.51 | 10.36 |
| Operating Income | 35,485.70 | 44,738.20 | 52,783.31 | 59,064.40 | 60,013.24 |
| Other Income | 634.70 | 2,286.10 | 2,764.37 | 2,800.50 | 3,635.60 |
| Total Income | 36,120.40 | 47,024.30 | 55,547.68 | 61,864.90 | 63,648.84 |
| EBIDTA | 18,600.90 | 26,584.10 | 33,423.97 | 33,891.45 | 33,302.31 |
| Cash profit | 13,638.90 | 19,071.80 | 20,767.64 | 23,612.47 | 21,881.86 |
| Depreciation | 4,595.50 | 4,792.50 | 10,180.15 | 11,609.20 | 12,759.49 |
| Interest | 2,839.30 | 4,296.80 | 9,016.14 | 15,367.33 | 17,647.90 |
| PBT | 11,166.10 | 17,494.80 | 14,227.68 | 6,914.92 | 2,894.92 |
| Tax | 2,122.70 | 3,215.50 | 4,244.68 | -801.27 | 843.39 |
| PAT | 9,043.40 | 14,279.30 | 9,983.00 | 7,716.19 | 2,051.53 |
| Other Comprehensive Income | 15.30 | -4.40 | 7.03 | - | -3.46 |
| Total Comprehensive Income | 9,058.70 | 14,274.90 | 9,990.02 | 7,716.19 | 2,048.07 |
| EPS (in Rupees) | 2.26 | 3.57 | 2.49 | 1.93 | 0.51 |
| Shares in issue (nos) | 400,500,000 | 400,500,000 | 400,500,000 | 400,500,000 | 400,500,000 |

| Particulars | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------|------------|------------|------------|------------|------------|
| CAPITAL ACCOUNTS | | | | | |
| Gross Block | 128,977.00 | 193,674.95 | 257,902.80 | 282,243.68 | 283,094.62 |
| Net Block | 124,386.20 | 184,424.20 | 238,373.00 | 251,104.79 | 239,401.74 |
| Capital Work in Progress | 28,528.70 | 28,103.38 | 22,393.00 | 7,287.12 | 19,478.06 |
| Total Debt | 65,097.00 | 105,566.44 | 142,863.86 | 145,946.07 | 160,263.72 |
| Authorised Share capital | 100,000.00 | 100,000.00 | 100,000.00 | 100,000.00 | 100,000.00 |
| Equity Capital | 40,050.00 | 40,050.00 | 40,050.00 | 40,050.00 | 40,050.00 |
| Reserves & Surplus | 54,093.20 | 68,842.00 | 79,226.71 | 86,968.59 | 89,499.95 |
| Shareholders' Funds | 94,143.20 | 108,892.00 | 119,276.71 | 127,018.59 | 129,549.95 |

| RATIOS | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|--------------|--------------|--------------|--------------|--------------|
| Profitability Ratios | | | | | |
| Operating Profit Margin (EBIDTA/ Sales) | 52.42% | 59.42% | 63.32% | 57.38% | 55.49% |
| Net Profit Margin | 25.04% | 30.37% | 17.97% | 12.47% | 3.22% |
| Return on Capital Employed (EBIT / Cap emp) | 8.80% | 10.16% | 8.87% | 8.16% | 7.09% |
| Return on Net Worth (PAT / Net Worth) | 9.61% | 13.11% | 8.37% | 6.07% | 1.58% |
| Liquidity and Solvency Ratios | | | | | |
| Debt / Equity Ratio | 0.69 | 0.97 | 1.20 | 1.15 | 1.24 |
| Debt Coverage Ratios | | | | | |
| Interest coverage ratios (EBIT/Interest exp) | 4.93 | 5.07 | 2.58 | 1.45 | 1.16 |
| Book value per Share (₹) | 23.51 | 27.19 | 29.78 | 31.72 | 32.35 |

JSW Jaigarh Port Limited

CIN: U45205MH2007PLC166784

Registered Office

JSW Centre

Bandra Kurla Complex, Bandra East,

Mumbai 400 051

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