

JSW SHIPYARD PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015



JSW Shipyard Private Ltd.

Regd. Office: JSW Centre,
Bandra Kurla Complex, Bandra(East)
Mumbai – 400 051.
Phone : 022.4286 1000
Fax: 022 4286 3000
CIN: U63032MH2008PTC177642

NOTICE

Notice is hereby given that the **Eighth Annual General Meeting** of the Shareholders of **JSW Shipyard Private Limited** will be held on **Tuesday, the September 29, 2015** at **12.00 p.m** at **JSW Centre, Bandra Kurla Complex, Bandra (East) Mumbai - 400 051** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015 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. Sudip Mishra (holding DIN: 03428213), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s Shah Gupta & Co, Chartered Accountants, Mumbai, Statutory Auditors of the Company, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 12th Annual General Meeting of the Company, on such remuneration as may be decided by the Board of Directors of the Company.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made



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thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Manoj Kumar Mohta (holding DIN 02339000), who was appointed as an Additional Director of the Company by the Board of Directors with effect from December 09, 2014, in terms of Section 161(1) of the Companies Act, 2013 and Article 28 of the Article of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

By order of the Board of Directors
JSW Shipyard Private Limited.

Sudip Mishra
Director
(03428213)

Place : Mumbai
Dated : 21.08.2015



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

Item No. 4

Mr. Manoj Kumar Mohta was appointed as an Additional Director by the Board with effect from December 09, 2014 pursuant to Section 161 of the Companies Act, 2013 read with Article 28 of the Article of Association of the Company. In accordance to Section 161 of the Companies Act, 2013, said director will hold office up to the date of the ensuing Annual General Meeting. The Company has received the notice along with deposit of requisite amount from a member proposing Mr. Manoj Kumar Mohta as a candidate for the office of Director of the Company as provided in Section 160 of the Companies Act, 2013.

Mr. Manoj Kumar Mohta is a Fellow member of Institute of Chartered Accountants of India and a graduate of the Institute of Cost and Works Accountants of India. He has over 20 years of experience in Corporate Strategy, Corporate Finance and Treasury Management. Prior to joining JSW Group he had worked with Aditya Birla Group for over 10 years in their corporate function. He also holds Directorship in JSW Jaigarh Infrastructure Development Private Limited, West Waves Maritime & Allied Services Private Limited, JSW Nandgaon Port Private Limited, JSW Terminal (Mormugao) Private Limited and JSW Dharamtar Port Private Limited.

Mr. Manoj Kumar Mohta does not hold any equity shares of the Company.

The Board considers that the proposed appointment of Mr. Manoj Kumar Mohta as a Director, given his vast experience and knowledge in diverse areas, will be in the best interest of the Company and bring diversity to the composition of the Board. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Manoj Kumar Mohta as Director, for the approval by the shareholders of the Company.

Except Mr. Manoj Kumar Mohta, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

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

By order of the Board of Directors
JSW Shipyard Private Limited.

Sudip Mishra

Director

(03428213)

Place : Mumbai

Dated : 21.08.2015



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NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business under item no. 4 set out above with reasons proposing the Resolution as stated in the Notice is annexed hereto
2. A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING AND IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY.
3. Shareholders / Proxies should bring their attendance slip duly filled in for attending the meeting.
4. Copies of Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies to the meeting.
5. Corporate members are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members who hold Shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
8. The instrument(s) appointing the Proxy, if any, shall be deposited at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the Meeting and in default, the instrument of Proxy shall be treated as invalid. Proxies shall not have any right to speak at the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, be issued by the Shareholder organization.
9. Shareholders are requested to intimate the Company at its registered office, immediately of any change in their mailing address or email address in respect of equity shares held.
10. Shareholders desirous of having any information regarding Accounts are requested to address their queries to the Accounts Officer at the Registered Office of the Company at least seven days before the date of the Annual general Meeting, so that the requisite information can be made available at the Annual General Meeting.
11. All documents referred to in the accompanying Notice 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.
12. Shareholders/Proxies are requested to bring the attendance slip duly filled in.

Director's Report

To the Members of
JSW SHIPYARD PRIVATE LIMITED

Your Directors take pleasure in presenting the Eighth Annual Report together with the Standalone Audited Statement of Financial Accounts for the year ended March 31, 2015.

1. **Principal Activities, Business Review & Finance**

The Company intends to build shipyard at Dabhol which will have facility for building and repair of ships of approximately 100 mtr. Long. The Company has not commenced with its construction activities. For the year Company had loss of ₹ 0.69 lakhs.

2. **Transfer to Reserves**

The Company for the year under review has no profit hence there is no transfer to General Reserve.

3. **Dividend**

The Company has not yet commence its business operations and hence your Directors have deemed it prudent not to recommend any dividend on equity shares for the year ended March 31, 2015, in order to conserve the resources for future growth.

4. **Change in Capital Structure**

Share Capital

During the financial year under review, the Company has issued 0.1 million shares of ₹ 10 each amounting to ₹ 1 million as further share capital. The authorised share capital of the Company stands at ₹ 20 million and paid up share capital is ₹ 7.10 Million.

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

The Company has no subsidiaries, associates and joint venture companies.

6. **Deposits**

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

7. **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.

8. **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.

9. **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 (Please refer to Note 4 and 12.2 to the Financial Statement).

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10. **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.

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

11. **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.

12. **Board of Directors**

During the period under review, Mr. Sudip Mishra (DIN: 03428213) was appointed as a Director of the Company on May 31, 2014 and Mr. Manoj Mohta (DIN: 02339000) was appointed as a Director of the Company on December 09, 2014 in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company.

During the period under review, Mr. Deepak Bhat (DIN: 00142912) and Mr. Narinder Singh Kahlon (DIN: 03578016) has resigned from the Company, your Directors place on record the deep sense of appreciation for the valuable support and guidance extended by them as Director of the Company.

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

13. Disclosures related to Board, Committees and Policies, if any.

Board Meetings

The Board of Directors met five times during the financial year ended March 31, 2015 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

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

Sr. No	Date of Board Meeting
1.	April 17, 2014
2.	May 31, 2014
3.	September 26, 2014
4.	December 9, 2014
5.	March 31, 2015

14. 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.

15. Auditors

The observations made by the Statutory Auditors in their report for the financial year ended March 31, 2015 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark.

M/s. Shah Gupta & Co., Chartered Accountants, the Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

16. 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 2015 made under the provisions of Section 92(3) of the Act is attached as Annexure A which forms part of this Report.

17. Particulars regarding sexual harassment of women at workplace

During the year under review, there were no cases filed pursuant to The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013

18. Risk Management Policy

Your Company has not commenced any of its activities, hence there is no risk management policy formulated at this stage.

19. Conservation of Energy, Technology Absorption & Innovation and Foreign Exchange Earnings and Outgo

The Company does not have any manufacturing operations and technology absorption. It is engaged in building and repairing of ships. The Foreign Exchange earnings and outflow of the Company under review amounted to ₹ Nil.

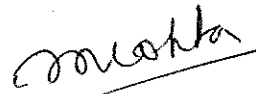
20. Appreciation and Acknowledgement


Your directors would like to express their appreciation for the co-operation and assistance received from banks and the shareholders.

For and on behalf of the Board of Directors

Place : Mumbai

Dated : 27.04.2015


Manoj Mohta
Director
(02339000)


Sudip Mishra
Director
(03428213)

Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	7,10,770	7,10,770	100	-	7,10,770	7,10,770	100	-
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 Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (Trust)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	7,10,770	7,10,770	100	-	7,10,770	7,10,770	100	-

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

ii. SHAREHOLDING OF PROMOTERS:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in 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	7,10,770	100	-	7,10,770	100	-	-
	Total	7,10,770	100	-	7,10,770	100	-	-

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	JSW Infrastructure Limited				
	At the beginning of the year	7,10,770	100	7,10,770	100
	Purchase/Transfer during the year	-	-	-	-
	At the End of the year	7,10,770	100	7,10,770	100

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

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

v. **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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

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

v. **INDEBTEDNESS:**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		60,00,000	-	60,00,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		60,00,000	-	60,00,000
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	60,00,000	-	60,00,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	60,00,000	-	60,00,000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

No remuneration being paid to the Directors.

B. *Remuneration to Other Directors:*

No remuneration and sitting fees being paid to the Directors.

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

There is no Key Managerial Personnel appointed in the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no Penalties/ Punishment/ Compounding of Offences during the year ended March 31, 2015.

Shah Gupta & Co.

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of JSW Shipyard Private Limited

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of JSW Shipyard Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

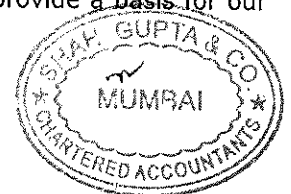
Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) The aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have pending litigations having impacts on its financial position;
 - ii. The Company did not have any outstanding long-term contracts including derivative contracts as at March 31, 2015 for which there were any material foreseeable losses; and
 - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

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

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Naresh Bhuta
Partner
M.No. 135823
Place: Mumbai
Date : April 27, 2015



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification
- (ii) As the Company does not have inventory, the Clauses (ii) (a) to (ii) (c) of paragraph 3 of the Order are not applicable to the Company.
- (iii) According to the information and explanations provided by the management, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, sub-clause (a) and (b) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased are of special nature and suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and the sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. During the course of our audit, no major weakness was noticed in the internal control system.
- (v) The Company has not accepted any deposits from the public.
- (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, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues with appropriate authorities applicable to it. According to the information and explanations given to us, no undisputed amounts payable were outstanding, at the year end, for a period of more than six months from the date they become payable.
- (b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited on account of any dispute.
- (c) The Company is not required to transfer any amount to the Investor Education and Protection Fund.
- (viii) The Company's accumulated losses at the end of the financial year are less than fifty per cent of its net worth. The Company has incurred cash loss during the year and in the immediately preceding financial year.
- (ix) According to the books of account and records of the Company, no amount is due to financial institution or bank or debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) The Company has not availed any term loans during the year.
- (xii) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that no material fraud on or by the Company has been noticed or reported during the course of audit.

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

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Naresh Bhuta
Partner
M.No. 135823
Place: Mumbai
Date : April 27, 2015



JSW SHIPYARD PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2015

	Note	As at 31st March, 2015 Amount in Rs.	As at 31st March, 2014 Amount in Rs.
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2	71,07,700	71,07,700
Reserves and Surplus	3	(22,66,583)	(21,97,459)
		<u>48,41,117</u>	<u>49,10,241</u>
NON CURRENT LIABILITIES			
Other Long-Term Liabilities	4	60,00,000	60,00,000
		<u>60,00,000</u>	<u>60,00,000</u>
CURRENT LIABILITIES			
Other Current Liabilities	5	4,66,334	3,84,143
		<u>4,66,334</u>	<u>3,84,143</u>
TOTAL		<u>1,13,07,451</u>	<u>1,12,94,384</u>
ASSETS			
NON CURRENT ASSETS			
FIXED ASSETS			
Capital Work- In- Progress	6	1,07,42,751	96,42,542
Long- Term Loans and Advances	7	1,50,000	4,54,763
		<u>1,08,92,751</u>	<u>1,00,97,305</u>
CURRENT ASSETS			
Cash and Bank Balances	8	19,270	5,15,324
Short- Term Loans and Advances	7	3,95,430	6,81,755
		<u>4,14,700</u>	<u>11,97,079</u>
TOTAL		<u>1,13,07,451</u>	<u>1,12,94,384</u>

Summary of significant accounting policies and other notes 1- 12
The accompanying notes are an integral part of financial statements

As per our attached report of even date
FOR SHAH GUPTA & CO.
Chartered Accountants
Firm Registration No : 109574W

For and on behalf of the Board of Directors

narush
NARESH BHUTA
Partner
M.No. 135823



Date: 27th April, 2015
Place: Mumbai

manoj
MANOJ KUMAR MOHTA
Director
DIN : 02339000

Sudip
SUDIP MISHRA
Director
DIN : 03428213

JSW SHIPYARD PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Note	Year Ended 31st March, 2015 Amount in Rs.	Year Ended 31st March, 2014 Amount in Rs.
INCOME			
Other Income	9	1,010	-
Total Revenue		1,010	-
EXPENSES			
Other Expenses	11	66,840	4,34,120
Total Expenses		66,840	4,34,120
Earning before interest tax, depreciation and amortisation (EBITDA)			
Finance Costs	10	3,294	-
(Loss)/Profit Before Tax		(69,124)	(4,34,120)
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
Income Tax of earlier years		-	-
(Loss)/Profit after Tax		(69,124)	(4,34,120)
EARNINGS PER EQUITY SHARE			
Equity share of face value of Rs.10/- each	12.1		
Basic and Diluted		(In Rs.) (0.10)	(0.61)
Summary of significant accounting policies and other notes 1- 12			
The accompanying notes are an integral part of financial statements			

As per our attached report of even date
FOR SHAH GUPTA & CO.
Chartered Accountants
Firm Registration No : 109574W

For and on behalf of the Board of Directors

narush
NARESH BHUTA
Partner
M.No. 135823



Date: 27th April, 2015
Place: Mumbai

Manoj
MANOJ KUMAR MOHTA
Director
DIN : 02339000

Sudip
SUDIP MISHRA
Director
DIN : 03428213

JSW SHIPYARD PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

(Amount in Rs.)

	Year ended 31.03.2015	Year ended 31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT/ (LOSS) BEFORE TAX	(69,124)	(4,34,120)
Changes in Working capital		
Increase/(Decrease) in current liabilities	82,191	92,176
(Increase)/Decrease in current assets	5,91,088	(3,05,360)
Cash flow before taxation	6,04,155	(6,47,304)
Direct tax paid	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES	6,04,155	(6,47,304)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets and Capital work in progress	(11,00,209)	-
NET CASH USED IN INVESTING ACTIVITIES	(11,00,209)	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	-	-
Proceeds/(payment) of unsecured loan	-	5,00,000
NET CASH FROM FINANCING ACTIVITIES	-	5,00,000
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)	(4,96,054)	(1,47,304)
CASH AND CASH EQUIVALENTS - AT THE BEGINNING OF THE YEAR	5,15,324	6,62,628
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR	19,270	5,15,324

NOTES :

The above cash flow statement has been prepared by using the indirect method as per Accounting Standard-3, "Cash Flow Statement" notified in the Companies (Accounting Standard) Rules, 2006.

As per our attached report of even date

For and on behalf of the Board of Directors

For **SHAH GUPTA & CO.**

Chartered Accountants

narush

NARESH BHUTA
Partner
M.No. 135823



mohta

MANOJ KUMAR MOHTA
Director
DIN : 02339000

Sudip Mishra

SUDIP MISHRA
Director
DIN : 03428213

Date: 27th April, 2015

Place: Mumbai

I Summary of Significant accounting policies

(A) **Basis of Preparation of Financial Statements .**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except as stated otherwise.

(B) **Use of Estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles require estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/ materialize.

(C) **Fixed Assets and Depreciation**

Fixed Assets are stated at their cost of acquisition or construction less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use.

Expenditure incurred during construction period: Apart from costs related directly to the construction of an asset, indirect expenses incurred up to the date of commencement of commercial production which are incidental and related to construction are capitalized as part of the construction cost. Income, if any, earned during the construction period is deducted from the indirect costs.

Depreciation on assets is provided, pro-rata for the period of use, by the Straight Line Method (SLM) as prescribed in Schedule II to the Act.

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets, when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the profit and loss account.

(D) **Investments**

Investments are classified as current or long-term in accordance with Accounting Standard 13 on Accounting for Investments.

Current investments are stated at lower of cost and fair value. Any reduction in the carrying amount and any reversals of such reductions are charged or Long term investments are stated at cost. Provision is made to recognize a decline, other than temporary, in the value of such investments.

(E) **Revenue Recognition**

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.

Revenue from services rendered is recognized at the time of completion of the services rendered, when all significant contractual obligations have been

(F) **Inventories**

Consumables and stores and spares are valued at lower of cost computed on 'Weighted Average Cost' basis and net realizable value. Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for.

(G) **Borrowing Costs**

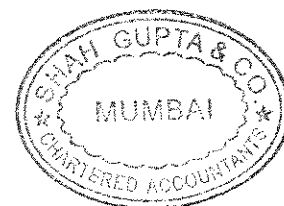
Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on Borrowing Costs are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

(H) **Foreign Currency Transactions**

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the balance sheet date. All exchange differences, are dealt with in the profit and loss account, except to the extent that they are regarded as an adjustment to interest costs are capitalized to fixed assets. Non-monetary items such as investments are

(I) **Provision, Contingent Liabilities and Contingent Assets**

Contingent liabilities as defined in Accounting Standard 29 on Provisions, Contingent Liabilities and Contingent Assets are disclosed by way of notes to the accounts. Provision is made if it is probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability.



(J) **Provision for Current and Deferred Tax**

Income taxes are accounted for in accordance with Accounting Standard 22 on Accounting for Taxes on Income. Taxes comprise both current and deferred tax.

Current tax is measured at the amount expected to be paid/ recovered from the revenue authorities, using the applicable tax rates and laws.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences. They are measured using the substantively enacted tax rates and tax regulations. The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against Tax on distributed profits payable in accordance with the provisions of section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note

on Accounting for Corporate Dividend Tax regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

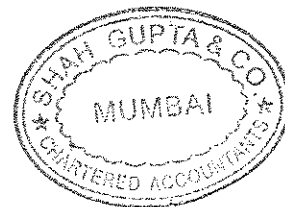
(K) **Earnings Per Share**

The Company reports Basic and Diluted Earnings per share (EPS) in accordance with Accounting Standard 20 on Earning Per Share. Basic earning per share are calculated by dividing the net profit or loss for the year attributable to Equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during

(L) **Cash Flow Statement**

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.



JSW SHIPYARD PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2015

2 SHARE CAPITAL

Particulars	As at	
	31st March, 2015	31st March, 2014
	Amount in Rs.	
Authorised Capital		
20,00,000 Equity Shares (Previous year 20,00,000) of Rs. 10/- each	2,00,00,000	2,00,00,000
TOTAL	2,00,00,000	2,00,00,000
Issued, Subscribed and Fully Paid Up Capital		
7,10,770 Equity Shares (Previous year 7,10,770) of Rs. 10/- each, fully paid up	71,07,700	71,07,700
TOTAL	71,07,700	71,07,700

Reconciliation of number of shares outstanding and the amount of share capital as at 31st March, 2015

a) and 31st March, 2014 is set out below:

	As at		As at	
	31st March, 2015		31st March, 2014	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
Equity Shares				
Shares at the beginning of the year	7,10,770	71,07,700	7,10,770	71,07,700
Add: Shares issued during the year	-	-	-	-
Shares at the end of the year	7,10,770	71,07,700	7,10,770	71,07,700

b) **Terms/Right attached to Equity Shares**

- The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

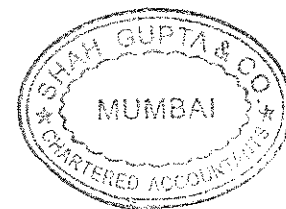
c) **Shares held by Holding Company**

	As at		As at	
	31st March, 2015		31st March, 2014	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
JSW Infrastructure Limited, the Holding Company alongwith its nominee shareholder	7,10,770	71,07,700	7,10,770	71,07,700

d) **Details of shareholders holding more than 5% shares in the company**

	As at		As at	
	31st March, 2015		31st March, 2014	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of Rs. 10 each, fully paid up				
JSW Infrastructure Limited, the Holding Company alongwith its nominee shareholder	7,10,770	100%	7,10,770	100%

As per records of the Company, including its Shareholder/members and other declaration received from Shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial interest ownership of shares.



3 **RESERVES AND SURPLUS**

	As at 31st March, 2015	As at 31st March, 2014
	Amount in Rs.	Amount in Rs.
Surplus/(Deficit) in the statement of Profit and Loss		
Balance as at the beginning of the year	(21,97,459)	(17,63,339)
Add: Profit/(Loss) for the year	(69,124)	(4,34,120)
Balance outstanding at the end of the year	<u>(22,66,583)</u>	<u>(21,97,459)</u>
TOTAL	<u>(22,66,583)</u>	<u>(21,97,459)</u>

4 **OTHER LONG- TERM LIABILITIES**

	As at 31st March, 2015	As at 31st March, 2014
	Amount in Rs.	Amount in Rs.
Capital Advance Received from Related Parties (Refer note no. 12.2)	60,00,000	60,00,000
TOTAL	<u>60,00,000</u>	<u>60,00,000</u>

5 **OTHER CURRENT LIABILITIES**

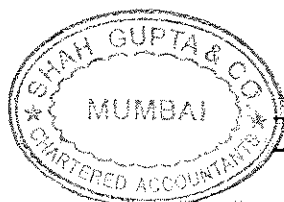
	As at 31st March, 2015	As at 31st March, 2014
	Amount in Rs.	Amount in Rs.
Statutory Dues	-	2,78,280
Creditors for Capital Goods	61,800	-
Other Payables	4,04,534	1,05,863
TOTAL	<u>4,66,334</u>	<u>3,84,143</u>

6 **CAPITAL WORK- IN- PROGRESS**

	As at 31st March, 2015	As at 31st March, 2014
	Amount in Rs.	Amount in Rs.
A) Capital Work in Progress		
Assets under Construction	6,87,934	6,87,934
Pre-operative Expenses	1,00,54,817	89,54,608
TOTAL	<u>1,07,42,751</u>	<u>96,42,542</u>
B) Pre-operative Expenses		
Rent Expenses	3,60,880	-
Legal and Consultancy Expenses	6,00,000	-
Employee Benefit Expenses	1,02,000	-
General and Office Overhead	37,329	-
Net Pre-operative Expenses for the year	<u>11,00,209</u>	-
Add: Pre-operative Expenses upto previous year	89,54,608	89,54,608
Closing Balance of Pre-operative Expenses	<u>1,00,54,817</u>	<u>89,54,608</u>

7 **LOANS AND ADVANCES**

	As at 31st March, 2015		As at 31st March, 2014	
	Non Current	Current	Non Current	Current
	Amount in Rs.		Amount in Rs.	
<i>(Unsecured, considered good)</i>				
Advance Recoverable in Cash or Kind	-	395	-	-
Security Deposits	1,50,000	-	1,50,000	-
Balances with Excise and Custom	-	3,95,035	-	3,20,875
Prepaid Expenses	-	-	-	3,60,880
Others	-	-	3,04,763	-
TOTAL	<u>1,50,000</u>	<u>3,95,430</u>	<u>4,54,763</u>	<u>6,81,755</u>



8 **CASH AND BANK BALANCES**

	As at 31st March, 2015		As at 31st March, 2014	
	Non Current	Current	Non Current	Current
	Amount in Rs.		Amount in Rs.	
Cash and cash equivalents				
Balance with banks in current account	-	19,270	-	5,15,324
TOTAL	-	19,270	-	5,15,324

9 **OTHER INCOME**

	Year Ended	Year Ended
	31st March, 2015	31st March, 2014
Amount in Rs.		Amount in Rs.
Balances Written Back	1,010	-
TOTAL	1,010	-

10 **FINANCE COSTS**

	Year Ended	Year Ended
	31st March, 2015	31st March, 2014
Amount in Rs.		Amount in Rs.
Others	3,294	-
TOTAL	3,294	-

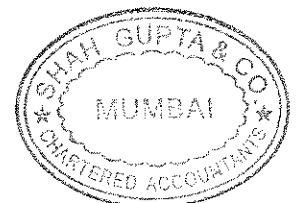
11 **OTHER EXPENSES**

	Year Ended	Year Ended
	31st March, 2015	31st March, 2014
Amount in Rs.		Amount in Rs.
Rent	-	4,05,485
Rates and Taxes	33,750	6,635
Legal and Consultancy Expenses	5,000	-
Remuneration to Auditors		
- Audit Fees	28,090	22,000
TOTAL	66,840	4,34,120

12 **NOTES TO ACCOUNTS**

12.1 **EARNINGS PER SHARE**

	Year Ended	Year Ended
	31st March, 2015	31st March, 2014
Amount in Rs.		Amount in Rs.
Basic and Diluted Earning Per Share		
(Loss) After Tax	(69,124)	(4,34,120)
Amount available for Equity Shareholders (A)	(69,124)	(4,34,120)
Weighted Average Number of Shares (B)	7,10,770	7,10,770
Basic & Diluted Earnings Per Share of Rs. 10/- Each (A)/(B)	(0.10)	(0.61)



12.2 Disclosure of Related Party Transactions

(A) List of Related Parties where control exists and related parties with whom transactions have taken place and relationship:

- I. **Holding Company**
JSW Infrastructure Limited
- II. **Fellow Subsidiary**
JSW Jaigarh Port Limited

(B) Disclosure of Related Party Transactions

S.No.	Nature of Transaction	Holding Company	Fellow Subsidiary	Total
1	Capital Advance Received as at 31st March, 2015			
	Opening Balance	-	60,00,000	60,00,000
	Add: Loan Taken during the year	-	-	-
	Less: Loan Repaid during the year	-	-	-
	Closing Balance	-	60,00,000	60,00,000
2	Other Payables as at 31st March, 2015			
		2,98,784	-	2,98,784
		(1,39,214)	(-)	(1,39,214)
3	Reimbursement of Expenses			
		1,59,570	-	1,59,570
		(-)	(-)	(-)

Figures in brackets represents previous year 's amounts.

(C) Details of transactions with Related Parties:

	31st March, 2015 Amount in Rs.	31st March, 2014 Amount in Rs.
Capital Advance Received as at 31st March, 2015		
JSW Jaigarh Port Limited	60,00,000	60,00,000
Other Payables as at 31st March, 2015		
JSW Infrastructure Limited	2,98,784	1,39,214

12.3 There are no Contingent liabilities.

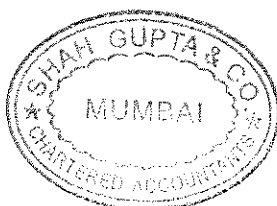
12.4 In the opinion of the management the current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

12.5 The Company is primarily engaged in "Shipping Services". Considering the nature of business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17- "Segment Reporting".

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

12.7 The previous year figures have been reclassified/ regrouped to conform to current year's classification.

For and on behalf of the Board of Directors



Manoj Kumar Mohta
MANOJ KUMAR MOHTA
Director
DIN : 02339000

Sudip Mishra
SUDIP MISHRA
Director
DIN : 03428213

Date: 27th April, 2015
Place: Mumbai