

JSW DHARAMTAR PORT PRIVATE LIMITED

Standalone Balance Sheet as at 31st March, 2020

CIN : U93030MH2012PTC236083

₹ in Lakhs

Particulars	Note no.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	16,380.02	29,328.91
Capital work-in-progress	3	3,984.84	2,226.21
Right of use assets	4	12,605.20	-
Other Intangible Assets	5	2.66	5.95
Investments in subsidiaries	6	1.00	1.00
Financial Assets			
Other financial asset	7	11,600.16	12,566.83
Deferred Tax Assets (Net)	8	2,329.43	1,948.79
Other Non-Current Assets	9	190.28	207.87
Total Non-Current Assets		47,093.59	46,285.56
Current Assets			
Inventories	10	2,261.81	3,223.88
Financial Assets			
Investments	7.1	502.57	3,295.07
Trade receivables	11	8,307.85	3,439.30
Cash and cash equivalents	12	1,329.49	133.54
Bank balances other than cash and cash equivalents	13	332.77	309.26
Loans	14	20,000.00	-
Other financial assets	15	946.79	2.95
Current Tax Assets (Net)	8	289.24	79.89
Other Current Assets	16	1,357.42	1,296.07
Total Current Assets		35,327.94	11,779.96
TOTAL ASSETS		82,421.53	58,065.52
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	1,501.00	1,501.00
Other Equity	18	22,026.10	16,785.48
Total Equity		23,527.10	18,286.48
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	19	9,632.28	20,076.43
Other financial liabilities	20	32,933.34	13,625.86
Provisions	21	59.81	53.05
Deferred Tax Liabilities (Net)	8	-	-
Total Non-Current Liabilities		42,625.43	33,755.34
Current Liabilities			
Financial Liabilities			
Borrowings	22	502.52	-
Trade payables			
Due to Micro and Small Enterprises	23	16.73	10.12
Due to other than Micro and Small Enterprises	23	1,516.46	2,118.92
Other financial liabilities	24	14,197.12	3,839.65
Other Current Liabilities	25	25.00	50.00
Provisions	26	11.17	4.95
Current Tax Liabilities (Net)	8	-	-
Total Current Liabilities		16,269.00	6,023.70
TOTAL EQUITY AND LIABILITIES		82,421.53	58,065.52
Significant accounting policies and key accounting estimates & judgements	1		

The accompanying notes form an integral part of standalone financial statements

As per our attached report of even date

FOR SHAH GUPTA & CO.

Chartered Accountants

Firm's Registration No : 109574W

VIJUL K. CHOKSI

Partner

Membership No. 37606

UDIN: 20037606AAAAA23866

Date: 03-June-2020

Place: Mumbai

Note:

The standalone financial statement have been adopted by the board on May 28, 2020, and signed by us on June 03, 2020. During this period, there has been no material events that causes change in the standalone financial statements.

For and on behalf of the Board of Directors



Rashmi Ranjan Patra
RASHMI RANJAN PATRA
Whole-time Director
DIN : 03014938

Lalit Singhvi
LALIT SINGHVI
Director
DIN : 05335538

Vikram Agarwal
VIKRAM AGARWAL
Chief Financial Officer

Vaidehi Sail
VAIDEHI SAIL
Company Secretary
M No. 55899

Date: 28-May-2020

Place: Mumbai

JSW DHARAMTAR PORT PRIVATE LIMITED

Standalone Statement of Profit and Loss for the year ended 31st March, 2020

₹ in Lakhs (except EPS)

Particulars	Note no.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
INCOME			
Revenue from Operations	27	16,428.62	16,353.95
Other Income	28	1,238.56	429.17
Total Income (1)		17,667.18	16,783.12
EXPENSES			
Operating Expenses	29	5,404.81	5,510.69
Employee Benefits Expense	30	1,124.19	947.36
Finance Costs	31	3,033.01	2,807.58
Depreciation and Amortisation Expense	32	1,916.32	1,684.70
Other Expenses	33	616.56	641.12
Total Expenses (2)		12,094.89	11,591.45
Profit Before Tax (1 - 2)		5,572.28	5,191.67
TAX EXPENSE			
Current Tax	8	304.49	78.28
Deferred Tax expense	8	291.60	47.89
Profit For The Year (3)		4,976.19	5,065.50
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefits plans		(11.28)	(27.10)
Income tax relating to items that will not be reclassified to profit or loss		3.14	9.47
Total Other Comprehensive Income/(Loss) For The Year (4)		(8.14)	(17.63)
Total Comprehensive Income For The Year (3 + 4)		4,968.05	5,047.87
Earning per equity share of ₹ 10 each			
Basic (₹)	40	33.15	33.75
Diluted (₹)	40	33.15	33.75
Significant accounting policies and key accounting estimates & judgements	1		

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Chartered Accountants

Firm's Registration No : 109574W

VIPUL K CHOKSI

Partner

Membership No. 37606

UDIN: 20037606AAAAZ3866

Date: 03-June-2020

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DIN : 03014938

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Chief Financial Officer

Date: 28-May-2020

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Lalit Singhvi

LALIT SINGHVI

Director

DIN : 05335938

Vaidehi Sail

VAIDEHI SAIL

Company Secretary

M No. 55899

JSW DHARAMTAR PORT PRIVATE LIMITED

Standalone Statement of Changes in Equity for the Year Ended 31st March, 2020

A) EQUITY SHARE CAPITAL

₹ in Lakhs

Balance as at 01st April, 2018	Changes in equity share capital during the year	Balance as at 31st March, 2019
1,501.00	-	1,501.00

₹ in Lakhs

Balance as at 01st April, 2019	Changes in equity share capital during the year	Balance as at 31st March, 2020
1,501.00	-	1,501.00

B) OTHER EQUITY

₹ in Lakhs

Particulars	Retained Earnings	Equity Settled Share Based Payment Reserve	Other Comprehensive income	Total equity attributable to equity holders of the Company
Balance as at 01st April, 2019	16,510.83	290.51	(15.86)	16,785.48
Profit for the year	4,976.19	-	-	4,976.19
Other Comprehensive Income for the year, net of Income tax	-	-	(8.14)	(8.14)
Recognition of share based payments	-	272.57	-	272.57
Balance as at 31st March, 2020	21,487.02	563.08	(24.00)	22,026.10

₹ in Lakhs

Particulars	Retained Earnings	Equity Settled Share Based Payment Reserve	Other Comprehensive income	Total equity attributable to equity holders of the Company
Balance as at 01st April, 2018	11,445.33	160.81	1.77	11,607.91
Profit for the year	5,065.50	-	-	5,065.50
Other Comprehensive Income for the year, net of Income tax	-	-	(17.63)	(17.63)
Recognition of share based payments	-	129.70	-	129.70
Balance as at 31st March, 2019	16,510.83	290.51	(15.86)	16,785.48

As per our attached report of even date

FOR SHAH GUPTA & CO.

Chartered Accountants

Firm's Registration No : 109574W

VIPUL K CHOKSI

Partner

Membership No. 37606

UDIN: 20037606AAAAAZ3866

Date: 03-June-2020

Place: Mumbai

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For and on behalf of the Board of Directors

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Whole-time Director

DIN : 03014938

VIKRAM AGARWAL

Chief Financial Officer

Date: 28-May-2020

Place: Mumbai

Lalit Singhvi

LALIT SINGHVI

Director

DIN : 05335938

VAIDEHI SAIL

Company Secretary

M No. 55899



JSW DHARAMTAR PORT PRIVATE LIMITED
Standalone Statement of Cash Flow for the year ended 31st March, 2020

₹ in Lakh

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
[A] CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	5,572.28	5,191.67
Adjustments for:		
Depreciation and amortisation expense	1,916.32	1,684.70
Loss on sale of Fixed Assets	-	0.02
Finance costs	2,094.58	1,872.78
Share based payment expenses	272.57	129.70
Interest income	(987.57)	(152.50)
Fair value of Mutual Fund through Profit & Loss	29.97	(32.54)
Profit on sale of investments (net)	(244.12)	(178.74)
Unrealised exchange (gain) / loss (net)	916.16	934.80
Operating profit before working capital changes	9,570.21	9,449.89
Adjustments for:		
(Increase)/ Decrease in trade and other receivables	(4,868.55)	1,136.99
(Increase)/ Decrease in inventories	962.06	(2,518.81)
(Increase)/ Decrease in Current Assets, Loans and advances	(13,026.92)	611.39
Increase/ (Decrease) in trade and other financial payables	(21,061.91)	(293.97)
Increase/ (Decrease) in provisions	12.99	23.66
	(37,982.33)	(1,040.74)
Cash (used in)/from operations	(28,412.12)	8,409.17
Direct taxes paid (net of refunds)	(1,262.83)	(1,198.66)
Net cash generated from operating activities (A)	(29,674.95)	7,210.51
[B] CASH FLOWS FROM INVESTING ACTIVITIES		
Add: Inflows from investing activities		
Sale of current investments (net)	3,006.65	-
Interest received	47.08	152.50
	3,053.73	152.50
Less: Outflows from investing activities		
Purchase of property, plant and equipment and intangible assets	(9,277.23)	1,776.96
Loans and advances given (net)	(20,000.00)	-
Purchase of investments (net)	-	1,898.99
	(29,277.23)	3,675.95
Net Cash (used in) investing activities (B)	32,330.96	(3,523.45)
[C] CASH FLOWS FROM FINANCING ACTIVITIES		
Add: Inflows from financing activities		
Proceeds from Unsecured short-term borrowings (net)	502.52	-
	502.52	-
Less: Outflows from financing activities		
Repayments of long-term borrowings	1,114.20	2,729.15
Interest paid	848.38	905.26
	1,962.58	3,634.40
Cash from financing activities (C)	(1,460.06)	(3,634.40)
NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES (A+B+C)	1195.95	52.66
Cash and cash equivalents at beginning of the year	133.54	80.88
Cash and cash equivalents at end of the year	1329.49	133.54

Notes :

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

(b) Cash and Cash Equivalents comprises of

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with Banks :		
In current account	529.33	83.54
In term deposit with maturity less than 3 months of inception	800.16	50.00
Cash and Cash Equivalents in Cash Flow Statement	1,329.49	133.54

JSW DHARAMTAR PORT PRIVATE LIMITED
Standalone Statement of Cash Flow for the year ended 31st March, 2020 (Contd.)

(c) Changes in liabilities arising from financing activities :

₹ in Lakhs

Particulars	As at 31st March, 2019	Cash Flows	Non cash changes	As at 31st March, 2020
			Fair value changes	
Term loans from banks	10,440.52	(420.00)	31.76	10,052.28
FCTL	10,728.26	(694.20)	1,012.33	11,046.38
Bank Overdraft	-	502.52	-	502.52
Total liabilities from financing activities	21,168.77	(611.68)	1,044.09	21,601.19

₹ in Lakhs

Particulars	As at 31st March, 2018	Cash Flows	Non cash changes	As at 31st March, 2019
			Fair value changes	
Term loans from banks	9,347.80	790.00	302.72	10,440.52
Buyers Credit	12,212.10	(2,224.89)	741.05	10,728.26
Total liabilities from financing activities	21,559.90	(1,434.89)	1,043.77	21,168.77

As per our attached report of even date

FOR SHAH GUPTA & CO.

Chartered Accountants

Firm's Registration No: 109574W

For and on behalf of the Board of Directors

VIPUL K CHOKSI

Partner

Membership No. 37606

UDIN: 20037606AAAAZ3866

Date: 03-June-2020

Place: Mumbai

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Rashmi Ranjan Patra

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Whole-time Director

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VIKRAM AGARWAL

Chief Financial Officer

Date: 28-May-2020

Place: Mumbai

Lalit Singhvi

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Director

DIN : 05335938

VAIDEHI SAIL

Company Secretary

Membership No. 55899

JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

COMPANY OVERVIEW:

JSW Dharamtar Port Private Limited is a private 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.

1. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1.1 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 31 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 28 May, 2020

1.2 Basis of preparation of 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:



JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

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 lakhs except when otherwise stated.

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



JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

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.

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

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
Buildings	3 and 26 years
Plant & Machinery	15 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. 11 for Impairment of non-financial assets.



JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

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".

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 Rs. 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 1 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 01 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. 01 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



JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

before the date of initial application. Accordingly, comparatives for the year ended 31 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 1 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
- 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 1 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.



JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

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. 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 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.



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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.

7. 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 46.

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.

8. Taxes

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



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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.2016-17. The Company is eligible for tax deduction available under section 80IA of the Income Tax Act, 1961 for a period of 10 years out of eligible period of 15 years. In view of the Company availing tax deduction under section 80IA of the Income Tax Act, 1961, deferred tax has been recognized in respect of temporary difference, which reverses after the tax holiday period in the year in which the temporary difference originates and no deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax the temporary difference which originates first are considered to reverse first.



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Notes to the Standalone Financial Statements for the year ended 31st March, 2020

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

9. 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	Years
Building	6-28 years
Plant and Machinery	3-15 years
Electrical installations & equipment	10 years
Conveyor equipments with Junction house	15 years
Computer desktop, laptop and mobile handset	3 years
Office equipments	5 years
Furniture & Fixture	10 years
Vehicle	8 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



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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 derecognition 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 Rs. 5000.

10. 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 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

11. 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



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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.

12. 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.

13. Investment in subsidiaries, associates and Joint ventures

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. 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.



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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

15. Financial instruments

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

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

a) Investments and other financial assets:

Classification

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

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

those measured at amortized cost.

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

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



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Initial recognition and measurement

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

Subsequent measurement

After initial recognition, financial assets are measured at:
fair value (either through other comprehensive income or through profit or loss) or,
amortized cost

Debt instruments

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

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

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

Gains or Losses on De-recognition

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

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

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

Gains or Losses on De-recognition

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



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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

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

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

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

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

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

Impairment

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

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

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



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to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

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

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

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

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

Income recognition

Effective Interest Method

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

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

b) Financial liabilities & Equity Instruments

Equity Instruments

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



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NOTE 37:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS

(a) Defined contribution plans:

Amount of ₹ 31.04 lakh (Previous year ₹ 24.62 lakh) is recognised as an expense and included in Employee benefits expense as under the following defined contribution plans:

₹ in Lakhs		
Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Benefits (Contribution to):		
Provident fund	20.31	15.41
Family pension	10.72	9.22
	31.03	24.63

(b) Defined benefit plans:

Gratuity:

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

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

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

Investment Risk:

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

Interest Risk:

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

Longevity risk:

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

Salary risk:

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

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

₹ in Lakhs		
Particulars	Gratuity	
	For the year ended 31st March, 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	71.27	34.24
Interest cost	5.54	2.66
Current service cost	11.33	7.79
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	7.10	0.06
Actuarial (Gains)/Losses on Obligations - Due to Experience	3.08	26.52
Present Value of Benefit Obligation at the End of the Period	98.31	71.27
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	75.27	36.87
Interest Income	5.85	2.87
Contributions paid by the employer	12.13	36.14
Return on plan assets excluding interest income	(1.11)	(0.61)
Fair value of plan assets at the end of the year	92.14	75.27
Net asset / (liability) recognised in the standalone balance sheet		
Present Value of defined benefit obligation at the end of the year	(98.31)	(71.27)
Fair value of plan assets at the end of the year	92.14	75.27
Amount recognised in the balance sheet	(6.17)	4.01
Net (liability) / asset- current	-	4.01
Net (liability) / asset- non-current	(6.17)	-
Expenses recognised in the statement of standalone profit and loss for the year		
Current service cost	11.33	7.79
Interest cost on benefit obligation (net)	(0.31)	(0.20)
Total expenses included in employee benefits expense	11.03	7.59
Recognised in other comprehensive income for the year		
Actuarial (Gains)/Losses on Obligation For the Period	10.17	26.58
Return on Plan Assets, Excluding Interest Income	1.11	0.61
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	11.28	27.19

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Notes to Standalone Financial Statements for the year ended 31st March, 2020

Maturity Analysis of Projected Benefit Obligation: From the Fund		
Within the next 12 months (next annual reporting period)	7.88	1.87
Between 2 and 5 years	27.84	25.48
Between 6 and 10 years	35.01	28.21
Sum of Years 11 & above	135.33	112.07

Quantitative sensitivity analysis for significant assumption is as below:		
Increase / (decrease) on present value of defined benefits obligation at the end of the year:	98.31	71.27
One percentage point increase in discount rate	(8.00)	(5.86)
One percentage point decrease in discount rate	9.25	6.75
One percentage point increase in rate of salary Increase	9.24	6.81
One percentage point decrease in rate of salary Increase	(8.13)	(6.00)
One percentage point increase in employee turnover rate	0.47	0.76
One percentage point decrease in employee turnover rate	(0.54)	(0.87)

Sensitivity Analysis Method:

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years

Assumptions		
Actuarial assumptions		
Expected Return on Plan Assets	6.89%	7.77%
Rate of Discounting	6.89%	7.77%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.

Since investment is with insurance company, Assets are considered to be secured.

Pension Obligation:

Other Details		
No of Active Members	84	73

Experience adjustments:-	2019-20	2018-19	2017-18	2016-17	2015-16
Defined Benefit Obligation	(98.31)	(71.27)	(34.24)	(26.53)	(18.05)
Plan Assets	92.14	75.27	36.87	11.03	10.25
Surplus / (Deficit)	(6.17)	4.01	2.63	(15.50)	(7.80)
Experience Adjustments on Plan Liabilities - Loss / (Gain)	3.08	26.52	0.11	(1.66)	(3.08)
Experience Adjustments on Plan Assets - Loss / (Gain)	(1.11)	(0.61)	(0.08)	(0.04)	(0.94)

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

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.

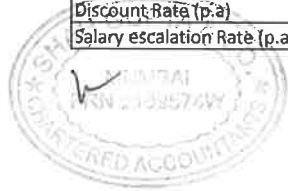
d) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	(Unfunded)	(Unfunded)
Present Value of unfunded obligation (₹ in Lakhs)	70.99	58.00
Expense recognised in Statement of profit and loss (₹ in Lakhs)	16.28	25.25
Discount Rate (p.a)	6.89%	7.77%
Salary escalation Rate (p.a)	6.00%	6.00%



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Notes to Standalone Financial Statements for the year ended 31st March, 2020

NOTE 38:- FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

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.

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

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

Particulars	As at 31st March, 2020	As at 31st March, 2019
Long term borrowings	9,632.28	20,076.43
Current maturity of long term borrowings	11,466.38	1,092.35
Short term borrowings	502.52	-
Less :- Cash & cash equivalent	1,329.49	133.54
Net debt	20,271.69	21,035.23
Total equity	23,527.07	18,286.48
Gearing Ratio	0.86	1.15

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

(ii) Debt is defined as long and Short-term borrowings, as described in note no 19 and note no 24.

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:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

₹ in Lakhs

Particulars	Level	Carrying amount/ Fair Value	
		As at 31st March, 2020	As at 31st March, 2019
Financial assets at amortised cost:			
Trade receivables		8,307.85	3,439.30
Deferred Lease charges (Non-current)	2	6,493.98	6,709.71
Security deposit (at discounted value) (Non-current)	2	5,106.18	5,857.12
Investments		502.57	3,295.07
Loans		20,322.22	-
Other financial assets		624.57	2.95
Cash and bank balances		1,329.49	133.54
Bank deposit		332.77	309.26
		43,019.63	19,746.95
Financial assets at fair value through profit or loss:			
Investments in MF	1	502.57	3,295.07
		502.57	3,295.07
Financial liabilities at amortised cost:			
Interest-bearing loans and borrowings	2	21,601.19	21,168.78
Finance lease obligations	2	12,598.64	13,298.93
Trade and other payables		1,533.19	2,129.04
Other financial liabilities		23,065.43	3,074.23
		58,798.45	39,670.98

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).



JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to Standalone Financial Statements for the year ended 31st March, 2020

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

Exposure to interest rate risk

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Fixed rate borrowings	-	-
Floating rate borrowings	21,380.12	21,559.58
Less : Upfront fees	(281.38)	(390.80)
Total Borrowings	21,098.74	21,168.78

Interest rate sensitivity

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

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
25 bp increase - Decrease in profit	26.38	25.68
25 bp decrease - Increase in profit	26.38	25.68

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 buyers credit in foreign currency. The Company is exposed to exchange rate fluctuations to the extent of outstanding buyers credit.

Foreign currency exposure (Term Loan)	\$ in Lakhs		₹ in Lakhs	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
USD	147.42	157.14	11,113.46	10,728.26
The above funding is unhedged (FCTL)				

Foreign currency sensitivity

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

Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD	(76.14)	74.63	(69.86)	68.48
Increase/ (decrease) in profit or loss (₹ in Lakhs)	(111.13)	111.13	(119.42)	119.42

Credit risk:

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

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 8,307.85 lakh and ₹ 3,439.30 lakh as of March 31, 2020 and March 31, 2019 respectively. The Company has its major revenue from group companies and very small third party exposure hence no major credit risk is perceived.

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

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	% of total revenue	For the year ended 31st March, 2019	% of total revenue
Revenue from group companies	15,742.78	96.48%	15,750.13	96.31%
Revenue from third parties	574.77	3.52%	603.82	3.69%
	16,317.55	100.00%	16,353.95	100.00%

Credit Risk Exposure

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



JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to Standalone Financial Statements for the year ended 31st March, 2020

Liquidity risk:

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

As of March 31, 2020, the Company had a working capital of ₹ 19,058.93 Lakhs; As of March 31, 2019, the Company had a working capital of ₹ 5756.28 Lakhs. The Company is confident of managing its financial obligation through short term borrowing and liquidity management.

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

Maturity profile:

The table below provides details regarding the maturity profile at 31-Mar-2020

₹ in Lakhs

Particulars	Less than one year	1 to 5 years	> 5 years	Total
Financial Assets				
Investments	502.57	-	-	502.57
Trade receivables	8,307.85	-	-	8,307.85
Cash and cash equivalents	1,329.49	-	-	1,329.49
Bank balances other than cash and cash equivalents	332.77	-	-	332.77
Loans	20,000.00	-	-	20,000.00
Other financial assets	946.79	4,856.71	6,743.45	12,546.95
Financial Liabilities				
Borrowings (non current)*	11,466.38	2,100.00	7,746.65	21,313.03
Borrowings (current)	502.52	-	-	502.52
Finance lease obligations	693.34	3,793.34	8,111.96	12,598.64
Other financial liabilities (non-current)-except FLO	20,334.70	-	-	20,334.70
Trade and other payables	1,533.19	-	-	1,533.19
Other financial liabilities (current)	2,730.74	-	-	2,730.74

The table below provides details regarding the maturity profile as at 31-Mar-2019

₹ in Lakhs

Particulars	Less than one year	1 to 5 years	> 5 years	Total
Financial Assets				
Investments	3,295.07	-	-	3,295.07
Trade receivables	3,439.30	-	-	3,439.30
Cash and cash equivalents	133.54	-	-	133.54
Bank balances other than cash and cash equivalents	309.26	-	-	309.26
Other financial assets	2.95	4,856.71	7,710.12	12,569.78
Financial Liabilities				
Borrowings (non current)*	1,092.35	12,085.91	8,214.21	21,392.47
Finance lease obligations	638.52	3,584.06	9,076.35	13,298.93
Other financial liabilities	326.93	-	-	326.93
Trade and other payables	2,129.04	-	-	2,129.04
Other financial liabilities (current)	2,747.30	-	-	2,747.30

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.

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



JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to Standalone Financial Statements for the year ended 31st March, 2020

NOTE 40:- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 33 EARNINGS PER SHARE

Particulars	As at 31st March, 2020	As at 31st March, 2019
Face value of equity share (₹)	10	10
Weighted average number of equity shares outstanding	1,50,10,000	1,50,10,000
Profit for the year (₹ in Lakhs)	4,976.19	5,065.50
Weighted average earnings per share (Basic and Diluted) (₹)	33.15	33.75

NOTE 41:- PAYMENT TO AUDITORS (exclusive of GST)

₹ in Lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Statutory Audit Fees	4.50	4.50
Tax Audit Fees	1.00	1.00
Out of Pocket Expenses	0.20	0.28
Others	2.13	2.11
	7.83	7.89

NOTE 42 : DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MSME ACT, 2006

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSME Act)		
Principal amount due to micro and small enterprise	16.73	10.12
Interest due on above	-	-

NOTE 43: EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

₹ in Lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Interest on Foreign Currency Term Loan	586.46	410.91
	586.46	410.91

NOTE 44 : 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 45 : 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.



JSW DHARAMTAR PORT PRIVATE LIMITED
Notes to Standalone Financial Statements for the year ended 31st March, 2020
NOTE 46:- EMPLOYEE STOCK OPTION PLAN (ESOP)

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

Particulars	ESOP Plan 2016			
	First Grant	Second Grant	Third Grant	Fourth 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	Fourth Grant
	13th June, 2016	17th May, 2017	3rd July, 2018	21st May, 2019
Options Granted	13,877.00	19,124.09	24,491.13	31,699.00
Option Vested	10,088.00	19,124.09	24,491.13	31,385.00
Options Exercised	-	-	-	-
Options lapsed	4,984.00	-	-	314.00
Transfer arising from transfer of employees within group companies	1,195.00	-	-	-
Options bought-out during the year	-	-	-	-
Total number of options outstanding	10,088.00	19,124.09	24,491.13	31,385.00

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

The following table exhibits the net compensation expenses arising from share based payment transaction: ₹ in Lakhs			
Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	
Expense arising from equity settled share based payment transactions	272.57	129.70	

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	Fourth Grant
	13th June, 2016	17th May, 2017	3rd July, 2018	21st May, 2019
Grant Date				
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 March 31, 2019 is set out below:

Particulars	ESOP Plan 2016			
	First Grant	Second Grant	Third Grant	Fourth Grant
	13th June, 2016	17th May, 2017	3rd July, 2018	21st May, 2019
Grant Date				
Outstanding as at 1st April 2017	12,322.00	-	-	-
Granted during the year	-	19,124.09	-	-
Forfeited during the year	3,429.00	-	-	-
Exercised during the year	-	-	-	-
Transfer arising from transfer of employees within group companies	-	-	-	-
Bought-out during the year	-	-	-	-
Outstanding as at 31st March 2018	8,893.00	19,124.09	-	-
Granted during the year	-	-	24,491.13	31,699.00
Forfeited during the year	-	-	-	314.00
Exercised during the year	-	-	-	-
Transfer arising from transfer of employees within group companies	1,195.00	-	-	-
Bought-out during the year	-	-	-	-
Outstanding as at 31st March 2019	10,088.00	19,124.09	24,491.13	31,385.00



JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to Standalone Financial Statements for the year ended 31st March, 2020

NOTE 47:- LEASE (PURSUANT TO Ind AS-116 - LEASES, THE FOLLOWING INFORMATION IS DISCLOSED)

Company as a lessee

Finance Lease

The Company has evaluated certain arrangements for availment of cargo handling services based on facts and circumstances of arrangements, the Company identified them in the nature of lease as the fulfillment of the arrangements depend upon a specific asset and the Company has committed to obtain substantially all the service delivery capacity of the asset. The Company has recognized assets under arrangements as right of use asset under finance leases (refer note 2 and note 4). In the arrangements for availment of cargo handling services, the Company also has an option to purchase the said assets at the end of the lease term.

The minimum lease rentals as at 31st March, 2020 and the present value as at 31st March, 2020 of minimum lease payments in respect of assets acquired under finance leases are as follows:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments
Within one year	1,000.00	693.34	1,000.00	638.52
After one year but not more than five years	4,800.00	3,793.34	4,800.00	3,584.06
More than five years	8,819.99	8,111.96	10,172.34	9,076.35
Total minimum lease payments	14,619.99	12,598.64	15,972.34	13,298.93
Less: amounts representing finance charges	2,021.36	-	2,673.41	-
Present value of minimum lease payment	12,598.64	12,598.64	13,298.93	13,298.93

₹ in Lakhs

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. 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 operating lease commitments as of March 31, 2019 reconciled with lease liabilities as at April 01, 2019 as follows:

Particulars	Amount
Operating lease commitments as at March 31, 2019	355.33
Weighted average incremental borrowing rate as at April 01, 2019	9.25%
Discounted operating lease commitments at April 01, 2019	355.33
Add:	
Commitments relating to leases previously classified as finance leases	-
Lease liabilities as at April 01, 2019	355.33

₹ in Lakhs

The Company has applied the following practical expedients on initial application:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Applied the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under IndAS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

The effect of adoption of Ind AS as at April 01, 2019 (increase/decrease) is as follows:

₹ in Lakhs

Particulars	Amount
Assets	
Right-of-use assets	355.33
Reclassification*	
- To Right of use assets	12,734.62
- From Property, Plant and Equipment	(12,734.62)
Other Assets - Prepaid Expenses	(328.73)
Increase in Total Assets	26.60
Liabilities	
Financial Liabilities - Lease Liabilities (Current + Non-Current)	26.60
Increase in Total Liabilities	26.60

*Carrying amount of leases previously classified as finance lease under Ind AS 17 has been reclassified to RoU Assets.



JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to Standalone Financial Statements for the year ended 31st March, 2020

Following is the movement in lease liabilities during the year:

₹ in Lakhs

Particulars	Amount
As at April 01, 2019	-
Addition on account of adoption of Ind AS 116	26.60
Interest Expenses	-
Payments	(9.29)
As at March 31, 2020	17.31

Followings are the amounts recognised in statement of profit or loss:

₹ in Lakhs

Particulars	Amount
Depreciation expense of right-of-use assets	484.75
Interest expense on lease liabilities	-
Rent expense - short-term leases and leases of low value assets	2.02
Total amounts recognised in profit or loss	486.77

The minimum lease rentals as at 31st March, 2020 and the present value as at 31st March, 2020 of minimum lease payments in respect of right of use assets acquired under leases are as follows:

₹ in Lakhs

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments
Within one year	9.29	8.50	-	-
After one year but not more than five years	10.63	8.81	-	-
Total minimum lease payments	19.92	17.31	-	-
Less: amounts representing finance charges	2.62	-	-	-
Present value of minimum lease payment	17.31	17.31	-	-

NOTE 48:- SEGMENT REPORTING

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

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

List of Major Customers alongwith their share of percentage is given as below:

Customer Name	Amount
AMBA RIVER COKE LIMITED	3,796.57
JSW STEEL LIMITED	11,653.07
Total	15,449.64

NOTE 49:-IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

₹ in Lakhs

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	4.69	21.12	-	-
Indigenous	95.31	429.44	100.00	267.98
	100.00	450.56	100.00	267.98

NOTE 50:-CORPORATE SOCIAL RESPONSIBILITY (CSR)

₹ in Lakhs

Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	In Cash	Yet to be paid in cash	In Cash	Yet to be paid in cash
(a) Gross amount required to be spent as per section 135 of the Act	127.00			94.92
(b) Amount spend on:				
(i) Construction/acquisition of assets	37.81	64.17	-	-
(ii) On purposes other than (i) above (for CSR projects)	22.07	2.95	55.58	39.34
	59.88	67.12	55.58	39.34



JSW DHARAMTAR PORT PRIVATE LIMITED

Notes to Standalone Financial Statements for the year ended 31st March, 2020

NOTE 51:-COVID-19

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.

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.

NOTE 52 :- The standalone financial statements are approved for issue by the Board of Directors on 28th May'2020

NOTE 53:- The additional information pursuant to Schedule III of Companies Act, 2013 is either nil or not applicable.

NOTE 54:- Previous year's figures have been reclassified/re-grouped, where ever necessary, to conform with the current year's classification.

As per our attached report of even date

FOR SHAH GUPTA & CO.

Chartered Accountants

Firm's Registration No : 109574W

V K Choksi

VIPUL K CHOKSI

Partner

Membership No. 37606

UDIN: 20037606AAAAA23866



Date: 03-June-2020

Place: Mumbai

Note:

The standalone financial statement have been adopted by the board on May 28, 2020, and signed by us on June 03,2020. During this period, there has been no material events that causes change in the standalone financial statements.

For and on behalf of the Board of Directors

Rashmi Ranjan Patra

RASHMI RANJAN PATRA

Whole-time Director

DIN : 03014938

Vikram Agarwal

VIKRAM AGARWAL

Chief Financial Officer

Date: 28-May-2020

Place: Mumbai

Lalit Singhvi

LALIT SINGHVI

Director

DIN : 05335938

Vaidehi Sail

VAIDEHI SAIL

Company Secretary

Membership No. 55899

Shah Gupta & Co.

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of JSW Dharamtar Port Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **JSW Dharamtar Port Private Limited** ("the Company"), which comprise the standalone balance sheet as at March 31, 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 March 31, 2020, its profit including other comprehensive income, its cash flows 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 audit 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 for the financial year ended March 31, 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
<i>Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Act (as described in note ____ of the standalone financial statements)</i>	
<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 March 31, 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"> 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. 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. 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. 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. Assessing management evaluation of compliance with the provisions of Section 177 and Section 188 of the Act. Evaluating the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.

The Key Audit Matter	Auditor's Response
<i>Recoverability of Minimum Alternate Tax ('MAT') Credit after the tax holiday period (as described in note ____ of the standalone financial statements)</i>	
<p>The Company has accumulated MAT credit entitlement of Rs. ____ lakhs as at March 31, 2020. The Company is under tax holiday period up to financial year ____ and the utilization of MAT credit depends on the ability of the company to earn adequate profits.</p> <p>In order to assess the utilization of MAT credit, the Company has prepared revenue and profit projections which involves judgements and estimations.</p> <p>The projections are based on management's input of key variables and market conditions. The forecasted profit has been determined using</p>	<p>Our procedures included the following:</p> <ol style="list-style-type: none"> 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 9 to the standalone financial statements.



The Key Audit Matter	Auditor's Response
<p>estimations of projected income and expenses of the Company.</p> <p>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.</p>	

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 other 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.



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 flow 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 March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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:

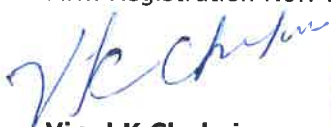
In our opinion and to the best of our information and according to the explanations given to us and based on our examination of the records of the Company, the whole time director of the Company is holding place of profit in the Holding Company and the remuneration is paid by the Holding Company. Hence, the Company has not paid / provided for any managerial remuneration during the year. Accordingly, the provision of Section 197 of the Act is not applicable to the Company.

- h. With respect to the other matters to be included in the 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 34 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; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **SHAH GUPTA & CO.,**

Chartered Accountants

Firm Registration No.: 109574W



Vipul K Choksi

Partner

M. No.37606

UDIN: 20037606AAAAAZ3866

Place: Mumbai

Date: June 03, 2020



APPENDIX 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 Dharamtar Port Private 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 right of use assets 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) Due to COVID-19 outbreak and Government imposed restrictions, the management is unable to conduct physical verification of inventory for the year. We have applied alternate audit procedures including roll-back procedures for inventory verification. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (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 specified the maintenance of cost records under sub-section (1) of section 148 of the Act, for the products / services of the Company. Accordingly, reporting under paragraph 3 (vi) of the order is not applicable to the Company.
- (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# (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	12.16	A.Y. 2017-18	Assessing Officer

#Net of amounts paid under protest

- (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 and financial institution during the year. The Company has not taken any loan from government or by way of issue of debentures.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given to us by the Management, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year under review. Accordingly, reporting under paragraph 3(ix) of the Order is not applicable to the Company.
- (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) In our opinion and to the best of our information and according to the explanations given to us, the provisions of Section 197 of the Act is not applicable to the Company.
According to the information and explanations given to us and based on our examination of the records of the Company, the Whole Time Director of the Company is holding place of profit in the Holding Company and remuneration is paid to him by the Holding Company. However, the Company has not paid/provided for any managerial remuneration during the year in accordance with the provisions of section 197 read with Schedule V of the Act. Accordingly, reporting under paragraph 3 (xi) of the Order is not applicable.
- (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 **SHAH GUPTA & CO.,**

Chartered Accountants

Firm Registration No.: 109574W

Vipul K Choksi

Vipul K Choksi

Partner

M. No.37606

UDIN: 20037606AAAAAZ3866

Place: Mumbai

Date: June 03, 2020



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

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

Management's Responsibility for Internal Financial Controls

The 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.

Opinion

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

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



Vipul K Choksi

Partner

M. No.37606

UDIN: 20037606AAAAAZ3866

Place: Mumbai

Date: June 03, 2020

