

## INDEPENDENT AUDITORS' REPORT

To  
**The Members of JITF SHIPYARDS LIMITED**

### Report on the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **JITF SHIPYARDS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with 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 financial statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our 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 of our opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



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

### **Management's Responsibility for the Financial Statements**

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

In preparing the financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

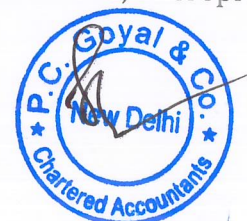
The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibility**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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 financial statements for the financial year ended March 31, 2022 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, 2020 ("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 the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to **Annexure 'B'**.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Point no. 39(ii) of Notes to financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - (h) The managerial remuneration for the year ended 31st March, 2022 has been paid/ provided for by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

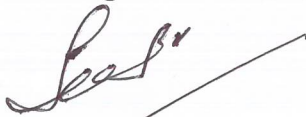


(i) As per the management representation we report,

- (i) no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
- (ii) no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
- (iii) Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contain any material misstatement.

(j) No dividend has been paid by the company.

**For P.C. Goyal & Co.,**  
Chartered Accountants  
Firm Registration No. 002368N



**(M.P. Jain)**  
Partner  
M. No. 082407  
Dated: 22<sup>nd</sup> April, 2022  
Place: New Delhi  
UDIN: 22082407AHRDLQ3875



**ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT**

(Annexure referred to in our report of even date to the members of **JITF Shipyards Limited** on the accounts for the year ended March 31, 2022)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment (PPE) and Intangible assets.  
  
(b) A major portion of the PPE has been physically verified by the Management in accordance with a phased programmed of verification once in three years adopted by the company. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.  
  
(c) The title deeds of immovable property disclosed in the financial statements are held in the name of company.  
  
(d) The Company has not revalued its PPE and Intangible assets during the year. Hence, the reporting requirement of para 3(i)(d) of the order is not applicable to the Company.  
  
(e) As explained to us and as per the information and explanations furnished to us, the company does not own any benami property under the Benami Transactions (Prohibition) Act, 1988. Hence, Para 3(i)(e) of the order is not applicable to the company.
2. (a) As explained to us, the management during the year has physically verified inventories. In our opinion, the coverage and procedure of verification is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.  
  
(b) No working capital limit has been sanctioned and availed by the Company. Hence, the reporting requirement of para 3(ii)(b) of the order is not applicable to the Company.
3. (a) On the basis of necessary books and records maintained by the Company and as per the information and explanations furnished to us by the management, during the year, the Company has not made any investment in, provided any guarantee or security or advances in the nature of loans. In respect of the unsecured loans granted by the Company to a Company and balance outstanding.  
  
(A) There was no amount of loan or advances in the nature of loan outstanding.  
  
(B) The aggregate amount of corporate guarantees given to related parties during the year and outstanding as on balance sheet date is nil and Rs 3,000 lakhs respectively.  
  
(b) As informed to us and as per the information and explanations furnished to us the terms and conditions of loan given are not prejudicial to the Company's interest.  
  
(c) The schedule of repayment of principal has been stipulated where in the payment of interest is accumulated to the repaid with the loan schedule repayment.  
  
(d) As explained to us and as per the information and explanations furnished to us, there is no overdue amount beyond ninety days.  
  
(e) As explained to us and as per the information and explanations furnished to us, there are



no loan or advances in the nature of loan granted which has fallen due during the year, which has been renewed or extended or fresh loan granted to settle the overdue of the existing loan.

(f) As explained to us and as per the information and explanations furnished to us, the Company has not granted any demand loan or any loan without specifying the period of repayment. Hence, the para 3(iii)(f) of the order is not applicable to the Company.

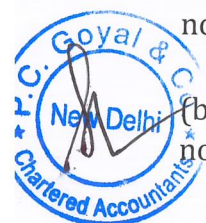
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, providing guarantees and making investment, as applicable.
5. According to the information given to us, the Company has not accepted any deposits or amount which are deemed to be deposits the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
6. To the best of our knowledge and as explained, the maintenance of cost records as specified by the Central Government under sub-section (l) of section 148 of the Companies Act, 2013 is not applicable to the company.
7. (a) Undisputed statutory dues including Goods and Service Tax, provident fund, employee' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as at 31st March, 2022 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 material statutory dues referred in aforesaid clause 7(a) which have not been deposited with the appropriate authorities on account of any dispute.

Name of Dues	Name of the statute	Year to which the amount relates	Forum where matter is pending	Amount in Rs. Lakhs
Income Tax	Income Tax Act, 1961	AY-2015-16	CIT (appeals), New Delhi	530.05

8. In our opinion and as per the information and explanations furnished to us, there are no unrecorded transactions or transactions disclosed as income in the tax assessments under the Income Tax Act. Hence, the para 3(viii) of the order is not applicable to the Company.
- 9 (a) In our opinion, on the basis of books and records examined by us and according to the information and explanations given to us, the company has not defaulted in repayment of loan or other borrowing and payment of interest to any lender. Hence, the para 3(ix) of the order is not applicable to the Company.

(b) In our opinion, and as per the information and explanation furnished to us, the Company is not willful defaulter by any bank or other financial institution or any other lender.



(c) In our opinion and as per the information and explanation furnished to us, the term loan availed were utilized for the purpose for which the loan was taken.

(d) On the basis of books and records examined by us, the company has not raised any short term fund. Hence, Para 3(ix)(d) of the order not applicable to company.

(e) On the basis of books and records examined by us, the Company has not taken any funds from any entity or person to meet the obligation of its subsidiary.

(f) On the basis of books and records examined by us and as explained to us, the Company has not raised loan during the year on the pledge of securities held in its subsidiary.

10. (a) The Company has not raised any money by way of initial public offer or further public offer or debt instruments. Hence, the para 3(x) of the order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of therecords of the Company, the Company has not made any preferential allotment or private placement of shares or fully or convertible debentures (fully, partly or optionally convertible) during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.

11. (a) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds by the Company or on the Company has been noticed or reported by the Company.

(b) As informed to us and as per the information and explanation furnished to us, there was no report in prescribed form ADT-4 under sub-section 12 of section 143 of the Companies Act,2013 required to be filed. Hence, the reporting para 3(xi)(b) of the order is not applicable to the Company.

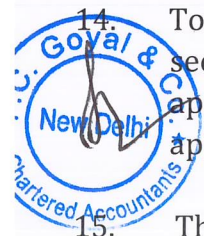
(c) No whistle blower complaints were received by the Company. Hence, the reporting para 3(xi)(c) of the order is not applicable to the Company.

12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 188 of the Act, and where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards. According to the information and explanations given to us, section 177 of the Act is not applicable to the company.

14. To the best of our knowledge & as explained the requirement of the Internal Audit as per the section 138 of Companies Act,2013 read with rule 13 of Companies (accounts) Rules,2014 is not applicable to the Company. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company & hence not commented upon.

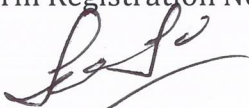
15. The Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly,



provisions of clause 3 (xv) of the Order are not applicable to the Company.

16. (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company.
- (b) In our opinion and as explained to us by the management, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of registration from Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) In our opinion and as per the information and explanation furnished to us, the Company is not a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank OF India. Hence, the reporting para 3(xvi)(c) and (d) of the order is not applicable to the Company.
17. The Company has not incurred any cash loss in the current financial year and in the immediately preceding previous year.
18. There was no resignation of the statutory auditor during the year. Hence, the reporting para 3(xviii) of the order is not applicable to the Company.
19. In our opinion and based on the books and relevant documents and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plan no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. The Company is not required to incur any amount under Corporate Social Responsibility (CSR). Hence, the reporting clause 3(xx) of the order is not applicable to the Company.
21. There are no qualifications or adverse remark by the respective Auditor in the separate Companies (Auditor's Report) Order (CARO) of the companies included in the consolidated financial statements. Hence, the reporting para 3(xxi) of the order is not applicable to the Company.

**For P.C. Goyal & Co.,**  
Chartered Accountants  
Firm Registration No. 002368N



**(M.P. Jain)**

Partner

M. No. 082407

Dated: 22<sup>nd</sup> April, 2022

Place: New Delhi

UDIN: 22082407AHRDLQ3875



## **ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT**

Annexure referred to in our report of even date to the members of **JITF SHIPYARDS LIMITED** on the accounts for the year ended 31st March, 2022.

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **JITF SHIPYARDS LIMITED** ("the Company") as of 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and the 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

**For P.C. Goyal & Co.,**  
Chartered Accountants  
Firm Registration No. 002368N



**(M.P. Jain)**

Partner

M. No. 082407

Dated: 22<sup>nd</sup> April, 2022

Place: New Delhi

UDIN: 22082407AHRDLQ3875



**JITF SHIPYARDS LIMITED**  
**Balance Sheet as at 31st March 2022**  
**CIN No. U35122UP2007PLC069366**

(Amount in ₹ lakhs)

	Particulars	Note No	As at 31st March, 2022	As at 31st March, 2021
	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	5	7,289.06	7,311.11
	(b) Financial Assets			
	(i) Investments	6	1,087.54	1,087.54
	(ii) Loans	7	-	538.03
	(iii) Other Financial assets	8	5.15	5.15
	(c) Deferred tax assets (net)	9	164.06	181.49
<b>(2)</b>	<b>Current Assets</b>			
	(a) Inventories	10	39.35	46.61
	(b) Financial Assets			
	(i) Trade Receivables	11	16.99	6.71
	(ii) Cash and Cash Equivalents	12	581.62	17.36
	(c) Current Tax Assets (Net)	13	139.56	131.65
	(d) Other Current Assets	14	18.18	37.53
	<b>TOTAL</b>		<b>9,341.51</b>	<b>9,363.18</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share capital	15	200.00	200.00
	(b) Other Equity	16	9,113.64	9,081.05
	<b>LIABILITIES</b>			
<b>(1)</b>	<b>Non-Current Liabilities</b>			
	(a) Provisions	17	7.82	7.03
<b>(2)</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade Payables	18		
	-Dues to Micro and Small enterprises		-	1.71
	-Dues to other than Micro and Small enterprises		9.86	44.74
	(ii) Others financial liabilities	19	7.19	4.79
	(b) Other Current Liabilities	20	2.55	23.46
	(c) Provisions	21	0.45	0.40
	<b>TOTAL</b>		<b>9,341.51</b>	<b>9,363.18</b>

This is the Balance Sheet referred to in our report of even date.  
The accompanying notes are integral part of these financial statements.


**P.C. GOYAL & CO.**  
Chartered Accountants  
Firm Registration No. 002368N


For and on Behalf of the Board of Directors of  
JITF Shipyards Limited



**M.P. Jain**  
Partner  
M.No. 082407




  
**MANOJ KUMAR TIWARI**  
Whole Time Director  
DIN No.09096466

  
**ALOK KUMAR**  
Director  
DIN No.00930344

Place: New Delhi  
Dated: April 22, 2022



  
**DILIP KUMAR NANDI**  
Chief Financial Officer

**JITF SHIPYARDS LIMITED**
**Statement of Profit and Loss for the year ended 31st March, 2022**
**(Amount in ₹ lakhs)**

	Particulars	Note No	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I	Revenue From Operations	22	316.27	236.48
II	Other Income	23	43.67	42.01
	<b>Total Revenue (I+II)</b>		<b>359.94</b>	<b>278.49</b>
III	<b>Expenses</b>			
	Operational Expenses	24	191.19	163.53
	Employee Benefits Expenses	25	76.57	71.75
	Finance Costs	26	-	0.02
	Depreciation and Amortization Expenses	27	22.16	22.28
	Other Expenses	28	19.79	42.44
	<b>Total Expenses (III)</b>		<b>309.71</b>	<b>300.02</b>
IV	<b>Profit before exceptional items and tax (I+II-III)</b>		50.23	-21.53
V	<b>Exceptional Items</b>		-	-
VI	<b>Profit/(loss) before tax (IV-V)</b>		<b>50.23</b>	<b>-21.53</b>
VII	Tax Expense:			
	(1) Current tax		-	-
	(2) Deferred Tax	33	17.48	-5.41
VIII	<b>Profit (Loss) for the year after tax</b>		<b>32.75</b>	<b>-16.12</b>
IX	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to profit or loss			
	(i) Re-measurement gains (losses) on defined benefit plans		-0.21	0.47
	Income tax effect	34	0.05	-0.12
	<b>Total Other Comprehensive Income (IX)</b>		<b>-0.16</b>	<b>0.36</b>
X	<b>Total Comprehensive Income for the year (VIII+IX)</b>		<b>32.59</b>	<b>-15.76</b>
XI	Earning per equity share of face value of ₹ 10/- each			
	(1) Basic (Rs.)		0.13	(0.06)
	(2) Diluted (Rs.)		0.13	(0.06)

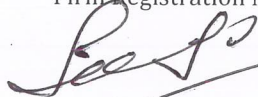
This is the Statement of Profit and Loss referred to in our report of even date.

The accompanying notes are integral part of these financial statements.

**P.C. GOYAL & CO.**

Chartered Accountants


Firm Registration No. 002368N

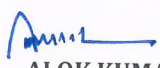


**M.P. Jain**  
Partner  
M.No. 082407




For and on Behalf of the Board of Directors of  
JITF Shipyards Limited

  
**MANOJ KUMAR TIWARI**  
Whole Time Director  
DIN No.09096466

  
**ALOK KUMAR**  
Director  
DIN No.00930344

Place: New Delhi  
Dated: April 22, 2022



  
**DILIP KUMAR NANDI**  
Chief Financial Officer

**JITF SHIPYARDS LIMITED**

**Statement of Changes in Equity for the year ended 31st March, 2022**

**a. Equity Share Capital**

(Amount in ₹ lakhs)			
Balance as at 31st March, 2020	Changes in equity share capital during the year 2020-21	Balance as at 31st March, 2021	Changes in equity share capital during the year 21-22
200.00	-	200.00	-
		200.00	200.00

**b. Other Equity**

Particulars	Equity component of compound financial instruments	Reserves and Surplus			Remeasurements of the net defined benefit Plans	Total
		Capital Reserve	Securities Premium	Retained Earnings		
<b>Balance as at April 1, 2020</b>	2,400.00	1,611.48	5,448.32	(361.25)	(1.74)	9,096.81
Total Comprehensive Income for the year 2020-21	-	-	-	(16.12)	0.36	(15.76)
<b>Balance at the end of the 31st March, 2021</b>	2,400.00	1,611.48	5,448.32	(377.37)	(1.38)	9,081.05
Total Comprehensive Income for the year 2021-22	-	-	-	32.75	(0.16)	32.59
<b>Balance at the end of the 31st March, 2022</b>	2,400.00	1,611.48	5,448.32	(344.62)	(1.54)	9,113.64

This is the Statement of changes in equity referred to in our report of even date. The accompanying notes are integral part of these financial statements.

**P.C. GOYAL & CO.**

Chartered Accountants

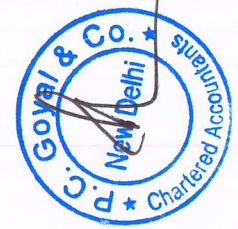
Firm Registration No. 0023668N

*M.P. Jain*

M.P. Jain

Partner

M.No. 082407



For and on Behalf of the Board of Directors of  
JITF Shipyards Limited

*Manoj Kumar Tiwari*

**MANOJ KUMAR TIWARI**  
Whole Time Director  
DIN No.09096466



**ALOK KUMAR**  
Director  
DIN No.00930344

*Dilip Kumar Nandi*  
**DILIP KUMAR NANDI**  
Chief Financial Officer

Place: New Delhi

Dated: April 22, 2022

**JITF SHIPYARDS LIMITED**

**Cash Flow Statement for the year ended 31st March, 2022**

(Amount in ₹ lakhs)

Particulars	For the year ended	For the year ended
	31st March, 2022	31st March, 2021
<b>A. CASH FLOWS FROM OPEARTING ACTIVITIES:</b>		
Net Profit/(loss) Before Income taxes	50.23	-21.53
<b>Adjustment for:</b>		
Depreciation	22.16	22.28
Interest Expenses	-	0.02
Interest Income	(43.33)	-42.01
(Profit)/Loss on sale of fixed asset	(0.34)	0.00
<b>Operating profit before working capital changes</b>	<b>28.72</b>	<b>-41.24</b>
Loans and Advances & Other Current Assets	19.35	-5.70
Inventories	7.26	4.23
Trade and Other Receivable	(10.28)	20.94
Trade Payables & Other payables	(54.47)	-8.40
<b>Cash generated from operations</b>	<b>(9.42)</b>	<b>-30.17</b>
Taxes paid	(7.91)	-
<b>Net cash Inflow/(Outflow) from operating activities</b>	<b>(17.33)</b>	<b>-30.17</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(0.23)	-
Sale of property, plant and equipment	0.47	0.02
Loan received back including interest from related parties	581.36	20.50
<b>Net cash (Outflow) from investing activities</b>	<b>581.60</b>	<b>20.52</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Interest Paid	-	-0.02
<b>Net cash Inflow from financing activities</b>	<b>-</b>	<b>-0.02</b>
<b>Net changes in cash and cash equivalents</b>	<b>564.27</b>	<b>-9.67</b>
Cash and cash equivalents at beginning of the year	17.36	27.03
<b>Cash and cash equivalents at end of the year</b>	<b>581.63</b>	<b>17.36</b>

**Note:**

1. Figures in bracket indicates cash outflow.
2. The above cash flow statement has been prepared under the indirect method set out in IND AS - 7 'Statement of Cash Flows'

This is the Statement of Cash Flows referred to in our report of even date.

The accompanying notes are integral part of these financial statements.

**P.C. GOYAL & CO.**

Chartered Accountants  
Firm Registration No. 002368N

**M.P. Jain**  
Partner  
M.No. 082407  
Place: New Delhi  
Dated: April 22, 2022



For and on Behalf of the Board of Directors of  
JITF Shipyards Limited

**Manoj Kumar Tiwari**  
MANOJ KUMAR TIWARI  
Whole Time Director  
DIN No.09096466

**Alok Kumar**  
ALOK KUMAR  
Director  
DIN No.00930344



**Dilip Kumar Nandi**  
DILIP KUMAR NANDI  
Chief Financial Officer

## 1. Corporate and General Information

Jindal ITF Limited is a Company incorporated on 18th September, 2007 with the main object to carry on the business of Infrastructure development, Transportation, promoters, builders, colonizers, architects etc. in and outside India.

## 2. Basis of preparation

The Annual financial statement have been prepared complying with all Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015 (as amended).

The significant accounting policies used in preparing the financial statements are set out in Note no. 3 of the Notes to the Financial Statements.

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. The amendment encompasses significant additional disclosure requirements and includes certain changes to the existing disclosures. The Company has applied and incorporated the requirements of amended Division II of Schedule III of the Companies Act, 2013 while preparing these standalone financial statements based on available information including exposure draft of revised guidance note on Division II- Ind AS schedule III to the Companies Act, 2013 issued by the corporate laws & corporate governance committee of the Institute of Chartered Accountants India (ICAI).

## 3. Significant Accounting Policies

### 3.1 Basis of Measurement

The standalone financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- certain financial assets and liabilities, except certain investments and borrowings carried at amortised cost,
- assets held for sale – measured at fair value less cost of disposal,
- defined benefit plans – plan assets measured at fair value,
- derivative financial instruments,
- share based payments

The standalone financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest lakhs (₹ 00,000) and two decimals thereof, except as stated otherwise.

### 3.2 Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note 4 on critical accounting estimates, assumptions and judgements).

### 3.3 Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Category of Assets	Years
-Leasehold assets (vessel)	Lease period
<b>Equipment &amp; Machinery</b>	
-Plant and Machinery	15
-Barges	28
-Vessel	25
<b>Other equipment, operating and office equipment</b>	
-Computer equipment	3
-Temporary Structure	3
-Office furniture and equipment	3-05
-Vehicles	10

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement. Overhauling Dry dock cost incurred on vessel is capitalised and would be depreciated over 30 months.

### 3.4 Intangible Assets

Identifiable intangible assets are recognised a) when the Company controls the asset, b) it is probable that future economic benefits attributed to the asset will flow to the Company and c) the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.



### **3.5 Impairment of non-current assets**

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

### **3.6 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

### **3.7 Inventories**

Inventories are valued at the lower of cost and net realizable value except scrap, which is valued at net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the weighted average basis.

### **3.8 Leases**

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

### **3.9 Employee benefits**

a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Leave encashment being a short term benefit is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

d) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss.

The Company operates a defined benefit plan for gratuity, which requires contributions to be made to a separately administered fund. The fund is managed by a trust. The trust has taken policies from an insurance company. These benefits are partially funded.

### **3.10 Foreign currency reinstatement and translation**

#### **(a) Functional and presentation currency**

A 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. Financial Assets**

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

#### **Trade receivables**

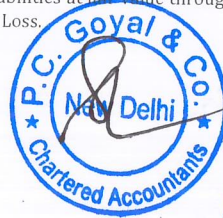
A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

#### **Investment in equity shares**

#### **a) Financial Liabilities**

##### **i. Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.



**ii Financial liabilities measured at amortized cost**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR").

**Trade and other payables**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**3.11 Compound financial instruments**

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

**3.12 Equity share capital**

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

**3.13 Borrowing costs**

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

**3.14 Taxation**

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

**3.15 Revenue recognition and other operating income**

**Sale of services**

Revenue from Coal transportation through inland waterways is recognised on complete voyage basis/upon unloading of the vessel/barge depending upon the risk and rewards transferred.

Freight and demurrage earnings are recognized on completed voyage basis/ upon loading of the Vessel depending upon the risk and rewards transferred. Time Charter earning are recognized on accrual basis except where the charter party agreements have not been renewed/finalized, in which case it is recognized on provisional bases.

**Other Income**

**Interest**

Interest income on debt instruments is recognised at effective rate of interest

**Dividend**

Dividend income is recognised when the right to receive dividend is established.

**3.16 Earnings per share**

Basic earnings per share are computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue ) of such instruments.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



### 3.17 Provisions and contingencies

#### Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

#### i) Gratuity and leave encashment provision

Refer Note no 3.9 for provision relating to gratuity and leave encashment.

#### Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### 3.18 Investment in Subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

### 3.19 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

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

### 3.20 Recent accounting pronouncements

New and amended standards applied

The group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Ministry of Corporate Affairs ("MCA") has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

Ministry of Corporate Affairs ("MCA") amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the group has changed the classification/presentation of

- current maturities of long-term borrowings
- security deposits, in the current year.

The current maturities of long-term borrowings (including interest accrued) has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings and interest accrued were included in 'other financial liabilities' line item. Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item.



**4. Critical accounting estimates, assumptions and judgements**

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

*(a) Property, plant and equipment*

External adviser or internal technical team assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

On transition to IND AS, the Company has adopted optional exemption under IND AS 101 for fair valuation of property, plant and equipment, subsequent to fair valuation depreciation has been charged on fair valued amount less estimated salvage value. Property, plant and equipment also represent a significant proportion of the asset base of the Company. Therefore, the estimates and assumptions made to determine their carrying value and related depreciation are critical to the Company's financial position and performance.

*(b) Intangibles*

Internal technical or user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

Before transition to IND AS, the company has revisited the useful life of the assets and the impact of change in life on transition is considered in opening carrying values. Also all Intangibles are carried at net book value on transition.

*(c) Income taxes*

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

*(d) Contingencies*

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

*(e) Allowance for uncollected accounts receivable and advances*

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

*(f) Insurance claims*

Insurance claims are recognised when the Company have reasonable certainty of recovery. Subsequently any change in recoverability is provided for.

*(g) Liquidated damages*

Liquidated damages payable are estimated and recorded as per contractual terms; estimate may vary from actual as levy by customer.



# JITF SHIPYARDS LIMITED

Notes to Financial Statements

## 5. Property, Plant and Equipment

(Amount in ₹ lakhs)

Particulars	Leasehold Land	Freehold Land	Computers	Plant and Equipment	Furniture and Fixtures	Office Equipments	Vehicles	Total
<b>Gross Block</b>								
As at April 1, 2020	427.09	7,023.07	1.12	91.95	5.95	2.26	2.44	7,553.88
Additions	-	-	-	-	-	-	-	-
Disposal/Adjustments	-	-	-	-	-	-0.10	-	-0.10
As at March 31, 2021	427.09	7,023.07	1.12	91.95	5.95	2.16	2.44	7,553.78
Additions	-	-	-	-	-	0.23	-	0.23
Disposal/Adjustments	-	-	-	-	-	-	-2.44	-2.44
As at March 31, 2022	427.09	7,023.07	1.12	91.95	5.95	2.39	-	7,551.57
<b>Accumulated Depreciation</b>								
As at April 1, 2020	159.41	-	1.03	51.09	4.65	1.96	2.32	220.47
Charge for the year	12.90	-	-	7.62	1.64	0.11	-	22.28
Disposal/Adjustments	-	-	-	-	-	-0.08	-	-0.08
As at March 31, 2021	172.31	-	1.03	58.72	6.30	1.99	2.32	242.67
Charge for the year	12.90	-	-	8.78	0.44	0.04	-	22.16
Disposal/Adjustments (regrouping)	-	-	-0.01	2.31	-2.31	0.01	-2.32	-2.32
As at March 31, 2022	185.21	-	1.02	69.80	4.43	2.03	-	262.51
<b>Net carrying amount</b>								
As at March 31, 2021	254.77	7,023.07	0.09	33.23	-0.34	0.17	0.12	7,311.11
As at March 31, 2022	241.87	7,023.07	0.09	22.14	1.52	0.36	-	7,289.06

Note:-

(i) The freehold land located in Bharuch is mortgaged for loan taken by Jindal ITF Limited from NBFC.  
(ii) Revaluation of Property, Plant and Equipment and intangible assets (including Right-of-Use Assets)  
The Company has not revalued its Property, Plant and Equipment as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 during the year 2021-22 and 2020-21.

(iii) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the company.

(iv) There is no capital work in progress outstanding as on March 31, 2022 and March 31, 2021.



**JITF SHIPYARDS LIMITED**

Notes to Financial Statements

**6. Non-Current Investments**

Sr. No.	PARTICULARS	As at 31st March, 2022			As at 31st March, 2021		
		Nos.	Face Value (₹)	(Amount in ₹ lakhs)	Nos.	Face Value (₹)	(Amount in ₹ lakhs)
	<u>Non-Current Investments (at cost)</u> Equity shares fully paid up of subsidiary companies - unquoted Investment in Jindal Intellicom Limited	1,07,76,770	10	1,087.54	1,07,76,770	10	1,087.54
	<b>Aggregate value of unquoted investments</b>			<b>1,087.54</b>			<b>1,087.54</b>



(Amount in ₹ lakhs)

DESCRIPTION	(Amount in ₹ lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>7 NON CURRENT- LOANS</b>		
<b>i) Unsecured, Considered good</b>		
-Loan to related parties		
Siddeshwari Tradex Private Limited	-	538.03
<b>Total Non Current Loans</b>	<b>-</b>	<b>538.03</b>
<b>8 FINANCIAL ASSETS - OTHERS</b>		
Security Deposits	5.15	5.15
<b>Total Financial Assets - Others</b>	<b>5.15</b>	<b>5.15</b>
<b>9 Deferred Tax Assets (net)</b>		
<b>(a) Deferred Tax Liability</b>		
Difference between book and tax depreciation	-45.99	-41.30
<b>Total Deferred Tax Liabilities</b>	<b>-45.99</b>	<b>-41.30</b>
<b>(b) Deferred Tax Assets</b>		
Carried forward losses	115.99	138.32
Disallowance under Income Tax Act, 1961	2.08	1.87
<b>Total Deferred Tax assets</b>	<b>118.07</b>	<b>140.19</b>
<b>Total Deferred tax assets (net)</b>	<b>164.06</b>	<b>181.49</b>
<b>10 INVENTORIES</b>		
Scrap	9.00	9.00
Stores and consumables	30.35	37.61
<b>Total Inventories</b>	<b>39.35</b>	<b>46.61</b>
<b>11 TRADE RECEIVABLES</b>		
Secured, Considered good	-	-
Unsecured, Considered good	16.99	6.71
Trade Receivables - Credit impaired	-	-
<b>Total Trade Receivables</b>	<b>16.99</b>	<b>6.71</b>
<b>12 CASH AND CASH EQUIVALENTS</b>		
<b>Balances with Banks</b>		
In Current Accounts	581.62	17.36
<b>Total Cash and Cash Equivalents</b>	<b>581.62</b>	<b>17.36</b>
<b>13 CURRENT TAX ASSETS (NET)</b>		
Advance Taxation (Net)	139.56	131.65
<b>Total Current tax assets (net)</b>	<b>139.56</b>	<b>131.65</b>
<b>14 OTHER CURRENT ASSETS</b>		
<b>Unsecured, Considered good</b>		
Advance Recoverable in Cash or in kind	3.66	29.74
Advance to vendor	14.52	7.79
<b>Total Other Current Assets</b>	<b>18.18</b>	<b>37.53</b>





**JITF SHIPYARDS LIMITED**  
Notes to Financial Statements

DESCRIPTION	(Amount in ₹ lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>16 OTHER EQUITY</b>		
(a) <b>Equity component of compound financial instruments</b>		
Opening Balance	2,400.00	2,400.00
Less: Converted into Equity Shares during the year	-	-
<b>Closing Balance (a)</b>	<b>2,400.00</b>	<b>2,400.00</b>
(b) <b>Capital Reserve</b>		
Opening Balance	1,611.48	1,611.48
Add: Issued during the year	-	-
<b>Closing Balance (b)</b>	<b>1,611.48</b>	<b>1,611.48</b>
(c) <b>Securities Premium</b>		
Opening Balance	5,448.32	5,448.32
Add: Issued during the year	-	-
Less: Adjusted for Debenture Redemption Premium	-	-
<b>Closing Balance (c)</b>	<b>5,448.32</b>	<b>5,448.32</b>
(d) <b>Retained earnings</b>		
Opening Balance	-377.37	-361.25
Add: Net profit/(loss) during the year	32.75	-16.12
<b>Closing Balance (d)</b>	<b>-344.62</b>	<b>-377.37</b>
(e) <b>Items of Other Comprehensive Income</b>		
Remeasurements of the net defined benefit Plans		
Opening Balance	-1.38	-1.74
Add: Addition for the year	-0.16	0.36
<b>Closing Balance (e)</b>	<b>-1.54</b>	<b>-1.38</b>
<b>Total Other Equity (a+b+c+d+e)</b>	<b>9,113.64</b>	<b>9,081.05</b>
<b>17 NON CURRENT PROVISIONS</b>		
<b>For Employee Benefits</b>		
Leave Encashment	7.42	6.65
Gratuity	0.40	0.38
<b>Total Non Current Provisions</b>	<b>7.82</b>	<b>7.03</b>
<b>18 TRADE PAYABLES</b>		
Dues to Micro and Small enterprises*	-	1.71
Dues to other than Micro and Small enterprises	9.86	44.74
<b>Total Trade Payables</b>	<b>9.86</b>	<b>46.45</b>
*There are no Micro and Small Enterprises, to whom the Company owes dues as at 31st March, 2022. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.		
<b>19 OTHER CURRENT FINANCIAL LIABILITIES</b>		
Due to Employees	3.72	2.71
Due to others	3.47	2.07
<b>Total Other Current Financial Liabilities</b>	<b>7.19</b>	<b>4.79</b>
<b>20 OTHER CURRENT LIABILITIES</b>		
Advance from Customers	-	4.49
Statutory Dues	2.55	18.97
<b>Total Other Current Liabilities</b>	<b>2.55</b>	<b>23.46</b>
<b>21 CURRENT PROVISIONS</b>		
<b>For Employee Benefits</b>		
Leave Encashment	0.45	0.40
Gratuity	-	-
<b>Total Current Provisions</b>	<b>0.45</b>	<b>0.40</b>



**JITF SHIPYARDS LIMITED**  
**Notes to Financial Statements**

(Amount in ₹ lakhs)

DESCRIPTION	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>22 Revenue From Operations</b>		
Repair of barges	316.27	236.48
<b>Total</b>	<b>316.27</b>	<b>236.48</b>
<b>23 Other Income</b>		
Interest Income on		
Other Loans and advances	43.33	41.41
Income Tax Refund	-	0.60
Profit on Sales of Fixed Assets	0.34	0.00
<b>Total</b>	<b>43.67</b>	<b>42.01</b>
<b>24 Operational Expenses</b>		
Power and Fuel	16.68	16.93
Repairs of Barge	162.22	137.79
Consumption of Stores and Spares	12.29	8.81
<b>Total</b>	<b>191.19</b>	<b>163.53</b>
<b>25 Employee Benefit Expenses</b>		
Salaries and Wages	72.57	67.21
Contribution to provident and other funds	3.92	3.82
Workmen and Staff Welfare	0.08	0.72
<b>Total</b>	<b>76.57</b>	<b>71.75</b>
<b>26 Finance Costs</b>		
Bank Charges	-	0.02
<b>Total</b>	<b>-</b>	<b>0.02</b>
<b>27 Depreciation and Amortization Expenses</b>		
Depreciation	22.16	22.28
<b>Total</b>	<b>22.16</b>	<b>22.28</b>
<b>28 Other Expenses</b>		
Insurance	0.49	0.56
Legal and Professional	2.23	1.98
Repair and Maintenance	8.26	7.42
Communication expenses	1.17	1.17
Security Charges	-	5.53
Rates and Taxes	2.22	19.40
Printing and Stationary	0.05	0.05
Travelling and Conveyance	2.69	2.46
Auditor's Remuneration	0.74	0.74
Miscellaneous Expenses	1.94	3.13
<b>Total</b>	<b>19.79</b>	<b>42.44</b>



## 29. Financial risk management

### 29.1 Financial risk factors

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

#### i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: currency rate risk, interest rate risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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. This is based on the financial assets and financial liabilities held as of March 31, 2022 and March 31, 2021.

#### ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

#### iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

#### Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

#### (b) Interest rate risk and sensitivity

The Company has no exposure to the risk of changes in market interest rates relates primarily to long term debt obligations.

#### Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

#### Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from its customers and distributors, which mitigate the credit risk to an extent.

The ageing of trade receivable and allowance for doubtful debts/expected credit loss are provided below:

(Amount in ₹ lakhs)

Particulars	Neither due nor impaired	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months 1 Year	01- 02 years	02 - 03 years	More than 3 years	
<b>As at March 31, 2022</b>							
(i) Secured – considered good	-	-	-	-	-	-	-
(ii) Unsecured – considered good	-	10.71	-	-	-	6.28	16.99
(iii) Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Trade Receivables - Credit	-	-	-	-	-	-	-
<b>Gross Total</b>	-	<b>10.71</b>	-	-	-	<b>6.28</b>	<b>16.99</b>
<b>As at March 31, 2021</b>							
(i) Secured – considered good	-	-	-	-	-	-	-
(ii) Unsecured – considered good	-	0.43	-	-	-	6.28	6.71
(iii) Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Trade Receivables - Credit	-	-	-	-	-	-	-
<b>Gross Total</b>	-	<b>0.43</b>	-	-	-	<b>6.28</b>	<b>6.71</b>

There is no disputed trade receivable as on March 31, 2022 and March 31, 2021

#### Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall, the company uses mix of capital infusion and borrowing from its holding company. However, the company envisage that such short fall is temporary and the company would generate sufficient cash flows as per approved projections.



**JITF SHIPYARDS LIMITED****Notes to Financial Statements**

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Amount in ₹ lakhs)

Particulars	Ageing as at March 31, 2022					Total
	Carrying Amount	On demand/ Overdue	< 6 months	6-12 months	> 1 years	
Other financial liabilities	7.19	-	7.19	-	-	7.19
Trade payable	9.86	-	3.96	-	5.90	9.86
<b>Total</b>	<b>17.05</b>	<b>-</b>	<b>11.15</b>	<b>-</b>	<b>5.90</b>	<b>17.05</b>

(Amount in ₹ lakhs)

Particulars	Ageing as at March 31, 2021					Total
	Carrying Amount	On demand/ Overdue	< 6 months	6-12 months	> 1 years	
Other financial liabilities	4.79	-	4.79	-	-	4.79
Trade payable	46.45	-	40.39	-	6.06	46.45
<b>Total</b>	<b>51.24</b>	<b>-</b>	<b>45.18</b>	<b>-</b>	<b>6.06</b>	<b>51.24</b>

**Trade payables ageing schedule:**

(Amount in ₹ lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	01 - 02 years	02 - 03 years	More than 3 years	
<b>As at March 31, 2022</b>						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	3.96	1.61	3.44	0.85	9.86
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>3.96</b>	<b>1.61</b>	<b>3.44</b>	<b>0.85</b>	<b>9.86</b>
<b>As at March 31, 2021</b>						
(i) MSME	-	1.71	-	-	-	1.71
(ii) Others	-	38.68	5.21	0.65	0.20	44.74
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>40.39</b>	<b>5.21</b>	<b>0.65</b>	<b>0.20</b>	<b>46.45</b>

**Interest rate and currency of borrowings**

The Company has not availed any fixed or floating rate borrowings.

**30. Capital risk management**

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2021-22 and 2020-21 is an under.

(Amount in ₹ lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans and borrowings	-	-
Less: cash and cash equivalents	581.62	17.36
<b>Net debt</b>	<b>-581.62</b>	<b>-17.36</b>
Total capital	9,313.64	9,281.05
<b>Capital and net debt</b>	<b>8,732.02</b>	<b>9,263.69</b>
<b>Gearing ratio</b>	<b>-6.24%</b>	<b>-0.19%</b>



**31. Fair value of financial assets and liabilities**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Particulars	(Amount in ₹ lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial assets designated at amortised cost</b>				
Cash and bank balances	581.62	581.62	17.36	17.36
Trade and other receivables	16.99	16.99	6.71	6.71
Loan	-	-	538.03	538.03
Other financial assets	5.15	5.15	5.15	5.15
	<b>603.76</b>	<b>603.76</b>	<b>567.25</b>	<b>567.25</b>
<b>Financial liabilities designated at amortised cost</b>				
Trade and other payables	9.86	9.86	46.45	46.45
Other financial liabilities	7.19	7.19	4.79	4.79
	<b>17.05</b>	<b>17.05</b>	<b>51.24</b>	<b>51.24</b>

**Fair Valuation techniques**

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the Company's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

**Fair Value hierarchy**

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 2 as described below:

- Quoted prices / published NVA (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published mutual fund operators at the balance sheet date.
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable.
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Fair value hierarchy**

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 2 as described below:

**Assets / Liabilities for which fair value is disclosed**

Particulars	(Amount in ₹ lakhs)		
	As at March 31, 2022		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Other financial liabilities	-	7.19	-

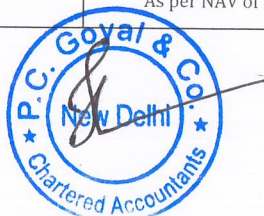
  

Particulars	(Amount in ₹ lakhs)		
	As at March 31, 2021		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Other financial liabilities	-	4.79	-

During the year ended March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

Following table describes the valuation techniques used and key inputs to valuation for level 2

Particulars	Fair value hierarchy	Valuation technique	Inputs used
<b>Financial assets</b>			
Other financial assets	Level 1	Market valuation techniques	As per NAV of Mutual Fund



**JITF SHIPYARDS LIMITED**  
Notes to Financial Statements

Particulars	Fair value hierarchy	Valuation technique	Inputs used
<b>Financial liabilities</b>			
Other borrowings- fixed rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market, Future payouts
Other financial liabilities	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

**32. Segment information**

**Information about primary segment**

The Company is engaged primarily into one segment i.e repair of barges.

**Information about Geographical Segment- Secondary**

The Company's operations are located in India and operations are also carried out in India. Therefore, there is no reportable geographical segment.

**33. Income tax expense**

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Tax	-	-
Deferred Tax		
- Relating to origination & reversal of temporary differences	-17.43	5.29
- Relating to change in tax rate	-	-
<b>Tax (expense)/ income attributable to current year's profit</b>	<b>-17.43</b>	<b>5.29</b>

**Effective Tax Reconciliation**

A reconciliation of the theoretical income tax expense / (benefit) applicable to the profit / (loss) before income tax at the statutory tax rate in India to the income tax expense / (benefit) at the Company's effective tax rate is as follows:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net loss (income) before taxes	-50.03	21.06
Enacted tax rates	25.168%	25.168%
Computed tax Income (expenses)	-12.59	5.30
<b>Increase/ (reduction) in taxes on account of:</b>		
Reversal of Deferred tax of previous years	-4.84	-0.01
<b>Income tax expense reported</b>	<b>-17.43</b>	<b>5.29</b>

**34. Deferred income tax**

Major component of deferred tax provided for in statement of Profit and Loss Account

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Book base and tax base of Fixed Assets	4.70	4.55
(Disallowance)/Allowance (net) under Income Tax	0.21	-0.71
Brought forward losses set off	-22.33	1.45
<b>Total</b>	<b>-17.43</b>	<b>5.29</b>

**Component of tax accounted in OCI and equity**

(Amount in ₹ lakhs)

Description	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Component of OCI</b>		
Deferred Tax (Gain)/Loss on defined benefit	-0.05	0.00
<b>Total</b>	<b>-0.05</b>	<b>0.00</b>



35. Additional Regulatory Information

(a) Loans or Advances

Details of loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

As at March 31, 2021

(Amount in ₹ lakhs)

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-
a. Siddeshwari Tradex Private Limited	538.03	100%

- (b) Details of benami property held - No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (c) Borrowing secured against current assets - The company don't have any borrowings from banks and financial institutions on the basis of security of current assets. Hence, there is no requirement to file quarterly returns or statements of current assets with banks and financial institutions.
- (d) Wilful defaulter - Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (e) The company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (f) The company do not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- (g) The company has complied with the provisions related to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(h) Following Ratios to be disclosed:-	As at March 31, 2022	As at March 31, 2021
(a) Current Ratio,	39.69	3.19
(b) Debt-Equity Ratio,	NA	NA
(c) Debt Service Coverage Ratio,	NA	NA
(d) Return on Equity Ratio,	0.005	-0.002
(e) Inventory turnover ratio,	1.37	1.96
(f) Trade receivables turnover ratio,	26.69	13.76
(g) Trade payables turnover ratio,	38.78	3.11
(h) Net capital turnover ratio,	0.03	0.03
(i) Net profit ratio,	0.14	-0.08
(j) Return on Capital employed,	0.0054	-0.0023
(k) Return on investment.	NA	NA

Formulae for computation of ratios are as follows :

(a) Current Ratio : Current assets / Current liabilities

(b) Debt Equity Ratio : Total Debt/ Net Worth

Total Debt : Secured Loans + Unsecured Loans - Liquid Investments

Net Worth : Equity Share Capital + Reserves (Excluding Revaluation Reserve)

(c) Debt Service Coverage Ratio : EBDIT / (Finance costs + Principal repayment of long term debt during the period)

(d) ROE = Net Income/Shareholder's equity

(e) Inventory turnover ratio : cost of goods sold ( RM, SFG, FG and scrap) / (average of opening and closing inv)

(f) Trade Receivables turnover ratio = Net Annual Credit Sales ÷ Average Accounts Receivables

(g) Trade payables turnover ratio, = (Cost of material consumed+Purchases stock in trade+ changes in inventory) ÷ Average Accounts Payables

(h) Net Capital Turnover = Total Sales / Shareholder's Equity

(i) Net Profit ratio= Net Profit/Total sales\*100

(j) Return on Capital employed = EBIT/ Total Assets- Current Liabilities



## JITF SHIPYARDS LIMITED

### Notes to Financial Statements

(f) Trade Receivables turnover ratio = Net Annual Credit Sales ÷ Average Accounts Receivables

(g) Trade payables turnover ratio, = (Cost of material consumed + Purchases stock in trade + changes in inventory) ÷ Average Accounts Payables

(h) Net Capital Turnover = Total Sales / Shareholder's Equity

(i) Net Profit ratio = Net Profit / Total sales \* 100

(j) Return on Capital employed = EBIT / Total Assets - Current Liabilities

- (i) There is no Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (j) Utilisation of borrowed funds and share premium - The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (k) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the ultimate beneficiaries

#### Undisclosed income

- (l) No income has been surrendered or disclosed for which transaction was not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (m) During the period under review, the company doesn't fulfill the criteria covered under section 135 of the Companies act, 2013. Therefore the provision related to CSR are not applicable.
- (n) There is no transaction related to Crypto Currency or Virtual Currency. Hence, not applicable.



**JITF SHIPYARDS LIMITED**  
**Notes to Financial Statements**

**36. Related party transactions**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

Related party name and relationship

**1. Key Management personnel**

- (i) Manoj Kumar Tiwari (Whole Time Director)
- (ii) Ashim De Chowdhury upto 6.02.2021 (Whole Time Director)
- (iii) Dilip Kumar Nandi (Chief Financial Officer)
- (iv) Alok Kumar (Director)

**2. Related parties**

**Holding Company**

- (i) Jindal Saw Limited

**3. Subsidiaries:**

- (i) Jindal Intellicom Limited
- (ii) Icom analytics Limited
- (iii) Jindal X LLC

**4. Joint Venture**

Jindal MMG LLC

**5. Entities where KMP having significant influence**

- (i) Siddeshwari Tradex Private Limited

(Amount in ₹ lakhs)

Particulars	Subsidiary/Fellow Subsidiary		Entities where KMP having significant influence	
	2021-22	2020-21	2021-22	2020-21
<b>A-Transaction</b>				
<b>Sale of service</b>				
Jindal ITF Limited	221.04	126.34	-	-
<b>Interest Income</b>				
Siddeshwari Tradex Private Limited	-	-	43.04	41.09
<b>Loan recovered during the year</b>				
Siddeshwari Tradex Private Limited	-	-	576.77	20.50
<b>B-Outstanding balances</b>				
<b>Loan recoverable</b>				
Siddeshwari Tradex Private Limited	-	-	-	538.03

**Key managerial personnel remuneration:**

(Amount in ₹ lakhs)

Particulars	Year Ended	Year Ended
	March 31, 2022	March 31, 2021
Short-Term employee benefits*	19.37	23.96
Post-Employment benefits		
- Defined contribution plan\$	1.50	1.06
- Defined benefit plan#	-	-
<b>Total</b>	<b>20.87</b>	<b>25.01</b>

Particulars	Year Ended	Year Ended
	March 31, 2022	March 31, 2021
Dilip Kumar Nandi	12.50	12.15
Ashim De Chowdhury	-	12.36
Manoj Kumar Tiwari	8.37	0.51
<b>Total</b>	<b>20.87</b>	<b>25.01</b>

\*Including exgratia, sitting fee, commission and value of perquisites where value cannot determined, the valuation as per income tax being considered.

# The liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole. Accordingly amounts accrued pertaining to key managerial personnel are not included above.

\$ including PF, leave encashment paid and any other benefit.



37. Retirement benefit obligations

1. Expense recognised for Defined Contribution plan

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Company's contribution to provident fund	2.00	1.96
Company's contribution to ESI	0.49	0.49
<b>Total</b>	<b>2.49</b>	<b>2.45</b>

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of March 31, 2022 and March 31, 2021, being the respective measurement dates:

Movement in Defined Benefit Obligation

(Amount in ₹ lakhs)

Particulars	Gratuity (funded)	Leave encashment (unfunded)
<b>Present value of obligation - April 1, 2020</b>	11.16	8.20
Current service cost	1.11	1.05
Interest cost	0.78	0.57
Benefits paid	-2.49	-3.38
Acquisitions / Transfer in/ Transfer out	-	-
Remeasurements - actuarial loss/ (gain)	-0.46	0.61
<b>Present value of obligation - March 31, 2021</b>	<b>10.10</b>	<b>7.05</b>
<b>Present value of obligation - April 1, 2021</b>	10.10	7.05
Current service cost	1.29	1.38
Interest cost	0.71	0.49
Benefits paid	-	-1.10
Acquisitions / Transfer in/ Transfer out	-	-
Remeasurements - actuarial loss/ (gain)	-1.49	0.05
<b>Present value of obligation - March 31, 2022</b>	<b>10.60</b>	<b>7.87</b>

Movement in Plan Assets - Gratuity

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fair value of plan assets at beginning of year	9.71	9.12
Expected return on plan assets	0.68	0.64
Employer contributions	1.51	2.44
Benefits paid	-	-2.49
Amount received on redemption of plan assets	-	-
Acquisitions / Transfer in/ Transfer out	-	-
Actuarial gain / (loss)	-1.70	0.01
<b>Fair value of plan assets at end of year</b>	<b>10.20</b>	<b>9.71</b>
Present value of obligation	10.60	10.10
Net funded status of plan	-0.40	-0.38
<b>Actual return on plan assets</b>	<b>-1.02</b>	<b>0.65</b>

The components of the gratuity & compensated absence cost were as follows:

Recognised in profit or loss

(Amount in ₹ lakhs)

Particulars	Gratuity	Compensated absence
Current Service cost	1.29	1.38
Interest cost	0.71	0.49
Expected return on plan assets	0.68	-
Remeasurement - Actuarial loss/(gain)	-	0.05
Past service cost	-	-
<b>For the year ended March 31, 2022</b>	<b>2.68</b>	<b>1.92</b>
Current Service cost	1.11	1.05
Interest cost	0.78	0.57
Expected return on plan assets	-0.64	-
Remeasurement - Actuarial loss/(gain)	-	0.61
Past service cost	-	-
<b>For the year ended March 31, 2021</b>	<b>1.25</b>	<b>2.23</b>
Actual return on plan assets	-1.02	0.65



Recognised in Other Comprehensive Income

Particulars	(Amount in ₹ lakhs)	
	Gratuity	
Remeasurement - Actuarial loss/(gain)		0.21
<b>For the year ended March 31, 2022</b>		<b>0.21</b>
Remeasurement - Actuarial loss/(gain)		-0.47
<b>For the year ended March 31, 2021</b>		<b>-0.47</b>

The principal actuarial assumptions used for estimating the Group's defined benefit obligations are set out below:

Weighted average actuarial assumptions	As at March 31, 2022	As at March 31, 2021
Attrition rate		
Discount Rate	7.00%	7.00%
Expected Rate of increase in Compensation levels	6.50%	6.50%
Expected Rate of Return on Plan Assets	7.75%	7.75%
Mortality rate	IALM 2012-14	IALM 2012-14
Expected Average remaining working lives of employees (years)	11.10	12.10

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market

7. Sensitivity analysis:

For the year ended March 31, 2022

Particulars	change in Assumption	Effect on Gratuity obligation	(Amount in ₹ lakhs)	
			Effect on compensated absence obligation	
Discount rate	1%	9.91	7.34	
	-1%	11.37	8.45	
Salary Growth rate	1%	11.37	8.45	
	-1%	9.90	7.34	
Withdrawal Rate	1%	10.61	7.88	
	-1%	10.59	7.85	

For the year ended March 31, 2021

Particulars	change in Assumption	Effect on Gratuity obligation	(Amount in ₹ lakhs)	
			Effect on compensated absence obligation	
Discount rate	1%	9.38	6.55	
	-1%	10.90	7.61	
Salary Growth rate	1%	10.89	7.61	
	-1%	9.37	6.54	
Withdrawal Rate	1%	10.11	7.06	
	-1%	10.08	7.03	

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the statement of financial position.

History of experience adjustments is as follows:

Particulars	(Amount in ₹ lakhs)	
	Gratuity	Compensated absence
<b>For the year ended March 31, 2022</b>		
Plan Liabilities - loss/(gain)	-1.49	0.05
Plan Assets - (loss)/gain	-1.70	-
<b>For the year ended March 31, 2021</b>		
Plan Liabilities - loss/(gain)	-0.46	0.61
Plan Assets - (loss)/gain	0.01	-

Expected contribution during the next annual reporting period

	(Amount in ₹ lakhs)	
The Company's best estimate of Contribution during the next year	1.35	1.32

Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cash flows) in years	10	11
---	----	----



**JITF SHIPYARDS LIMITED**  
**Notes to Financial Statements**

**Estimate of expected benefit payments (In absolute terms i.e. undiscounted)**

Particulars	(Amount in ₹ lakhs)	
	Gratuity	
01 Apr 2022 to 31 Mar 2023	0.59	
01 Apr 2023 to 31 Mar 2024	0.33	
01 Apr 2024 to 31 Mar 2025	0.33	
01 Apr 2025 to 31 Mar 2026	2.77	
01 Apr 2026 to 31 Mar 2027	0.19	
01 Apr 2027 Onwards	6.39	

**Statement of Employee benefit provision**

Particulars	(Amount in ₹ lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Gratuity	0.40	0.38
Compensated absences	7.87	7.05
<b>Total</b>	<b>8.27</b>	<b>7.43</b>

The following table sets out the funded status of the plan and the amounts recognised in the Company's balance sheet.

**10. Current and non-current provision for Gratuity and leave encashment**

**For the year ended March 31, 2022**

Particulars	(Amount in ₹ lakhs)	
	Gratuity	Leave Encashment
Current provision	-	0.45
Non current provision	0.40	7.42
<b>Total Provision</b>	<b>0.40</b>	<b>7.87</b>

**For the year ended March 31, 2021**

Particulars	(Amount in ₹ lakhs)	
	Gratuity	Leave Encashment
Current provision	-	0.40
Non current provision	0.38	6.65
<b>Total Provision</b>	<b>0.38</b>	<b>7.05</b>

**Employee benefit expenses**

Particulars	(Amount in ₹ lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and Wages	72.57	67.21
Costs-defined contribution plan	3.92	3.82
Welfare expenses	0.08	0.72
<b>Total</b>	<b>76.57</b>	<b>71.75</b>

Particulars	( Figures in no.)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Average no of people employed	13	13

**OCI presentation of defined benefit plan**

Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

Leave encashment cost is in the nature of short term employee benefits.

**Presentation in PL and BS**

Expense for service cost, net interest on net

IND AS 19 do not require segregation of provision in current and non current, however net defined liability ( Assets) is shown as current and non current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits( compensated absence cost) is shown as current and non current provision in balance sheet.

When there is surplus in defined benefit plan, company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign company can use corporate bonds rate.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.



**JITF SHIPYARDS LIMITED**  
**Notes to Financial Statements**

**38. Other disclosures**

Particulars	(Amount in ₹ lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Statutory Auditors</b>		
- Audit Fees	0.74	0.74
<b>Total</b>	<b>0.74</b>	<b>0.74</b>

b) Details of loans given, investment made and Guarantees given, covered U/S 186(4) of the Companies Act 2013.  
Loans given and investment made are given under the respective heads.

**39. Contingent liabilities**

**i) Guarantees**

Particulars	(Amount in ₹ lakhs)	
	As at March 31, 2022	As at March 31, 2021
Corporate guarantee issued to lender of fellow subsidiary companies	3,000.00	5,700.00
Corporate guarantee issued to lender of related party		2,000.00
<b>Total</b>	<b>3,000.00</b>	<b>7,700.00</b>

**(ii) Other Contingent Liabilities**

Particulars	(Amount in ₹ lakhs)	
	As at March 31, 2022	As at March 31, 2021
Income tax demand for AY 2015-16 against which Company has preferred appeal before CIT(A)	530.05	530.05
<b>Total</b>	<b>530.05</b>	<b>530.05</b>

It is not possible to predict the outcome of the pending litigations with accuracy, the Company believes, based on legal opinions received, that it has meritorious defence to the claims. The management believe the pending actions will not require outflow of resources embodying economic benefits and will not have a material adverse effect upon the results of the operations, cash flow or financial condition of the company.

**40. Earnings per share**

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	(Number of shares)	
	Year ended March 31, 2022	Year ended March 31, 2021
Issued equity shares	20,00,000	20,00,000
Equity shares compulsorily issuable on conversion of Non Cumulative compulsorily convertible preference shares	2,40,00,000	2,40,00,000
<b>Weighted average shares outstanding - Basic and Diluted - A</b>	<b>2,60,00,000</b>	<b>2,60,00,000</b>

Net profit / (loss) available to equity holders of the Company used in the basic and diluted earnings per share is determined as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit and loss after tax - B	33	(16)
Basic Earnings per share (B/A)	0.13	(0.06)
Diluted Earnings per share (B/A)	0.13	(0.06)

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

41. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

42. Due to the outbreak of COVID-19 globally and in India, the Company's management has made an initial assessment of likely adverse impact on the economic environment in general, business, and financial risks upto the date of financial statements and conclude that there is no material impact on the long-term performance of the Company. However, the Company will continue to monitor any material changes to the future economic conditions.

43. Notes 1 to 42 are annexed and form integral part of Financial Statements.

For and on Behalf of the Board of Directors of  
**JITF Shipyards Limited**

**P.C. GOYAL & CO.**  
Chartered Accountants  
Firm Registration No. 002368N

M.P. Jain  
Partner  
M.No. 082407  
Place: New Delhi  
Dated: April 22, 2022



**MANOJ KUMAR TIWARI**  
Whole Time Director  
DIN No.09096466

  
**ALOK KUMAR**  
Director  
DIN No.00930344

**DILIP KUMAR NANDI**  
Chief Financial Officer

