

INDEPENDENT AUDITORS' REPORT

To
The Members of JITF SHIPYARDS LIMITED (Previously Known as JITF WATERWAYS LIMITED)

Report on the Financial Statements

We have audited the accompanying financial statements of **JITF SHIPYARDS LIMITED (Previously Known as JITF WATERWAYS LIMITED)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Statement of Change in Equity and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

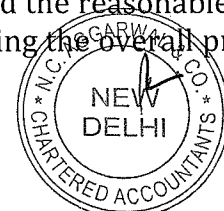
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



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

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 and its losses and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-1** 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, 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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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-2**.
 - (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 does not have any pending litigations as on 31st March, 2017;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

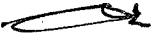


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iii. There is no amount payable towards investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November,2016 to 30th December,2016 and these are in accordance with the books of accounts maintained by the Company (refer note no. 17 of notes to accounts).

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N


G. K. Aggarwal
Partner
Membership No. 086622
Date: 19th May, 2017
Place: New Delhi



ANNEXURE-1 TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **JITF SHIPYARDS LIMITED (Previously Known as JITF WATERWAYS LIMITED)** on the accounts for the year ended 31st March, 2017)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

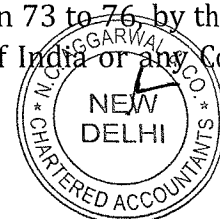
(b) A major portion of the fixed assets has been physically verified by the Management in accordance with a phased programmed of verification once in two years adopted by the company. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
2. As explained to us, the management during the year has physically verified inventories. In our opinion, the frequency of verification is reasonable. The discrepancies noticed during physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.
3. According to the information and the explanations given to us, the company has granted unsecured loans to the company covered in the register maintained under section 189 of the Companies Act 2013.

(a) As the aforesaid loan including interest accrued thereon is repayable on demand and therefore, the question of irregularity of payment does not arise.

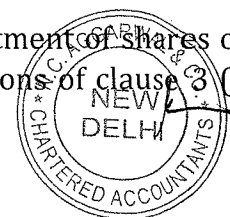
(b) The aforesaid loan is repayable on demand and therefore, the question of overdue amount does not arise.

However, the company has not given any loan to firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013.
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 loan given and investments made, as applicable. The Company has not provided any guarantees and security in terms of Section 185 and 186 of the Companies Act, 2013.
5. According to the information given to us, the Company has not accepted any deposits under 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. According to the information and explanations given to us, 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 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, 2017 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 dues in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute.
8. According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken loans or borrowing from financial institution, bank, government or issued any debentures. Accordingly, the provisions of clause 3(viii) of the order are not applicable to the company.
9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. In our opinion, and according to the information and explanation given to us, the term loans have been applied for the purposes for which they were raised, other than temporary deployment pending allocation.
10. 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 has been committed on or by the Company or by its officers or employees during the year.
11. The Company has not paid any managerial remuneration under the provisions of Section 197 read with Schedule V of the Companies Act, 2013. Accordingly, provisions of clause 3 (xi) of the Order are 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 177 and 188 of Act, and where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private allotment of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.



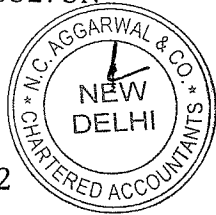
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15. The Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.
16. 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, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N



G. K. Aggarwal
Partner
Membership No. 086622
Date: 19th May, 2017
Place: New Delhi



ANNEXURE-2 TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of JITF SHIPYARDS LIMITED (Previously Known as JITF WATERWAYS LIMITED) on the accounts for the year ended 31st March, 2017

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 (Previously Known as JITF WATERWAYS LIMITED)** ("the Company") as of 31st March, 2017 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

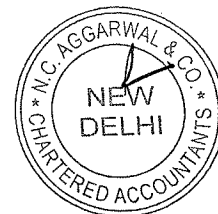
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over 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.

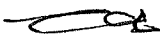
Inherent Limitations of Internal Financial Controls over Financial Reporting

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, 2017, 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 N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N


G. K. Aggarwal
Partner
Membership No. 086622
Date: 19th May, 2017
Place: New Delhi



IITF SHIPYARDS LIMITED (Formerly Known as IITF Waterways Limited)**BALANCE SHEET AS AT 31st March, 2017**

CIN No. U35122UP2007PLC069366

(Amount in Rs.)

	Particulars	Note No	As at 31st March, 2017	As at 31st March, 2016
	ASSETS			
(1)	Non-Current Assets			
	(a) Property, Plant and Equipment	1	74,00,29,204	77,96,13,555
	(b) Capital Work-in-Progress		-	1,64,578
	(c) Financial Assets			
	(i) Investments	2	10,87,54,470	10,92,54,470
	(ii) Loans	3	11,13,60,251	-
	(iii) Other Financial assets	4	1,27,61,108	1,12,80,618
	(d) Deferred tax assets (net)	5	2,98,04,063	2,10,88,771
	(e) Other Non-Current Assets	6	-	3,17,649
(2)	Current Assets			
	(a) Inventories	7	47,47,740	14,40,398
	(b) Financial Assets			
	(i) Trade Receivables	8	6,28,439	2,09,95,854
	(ii) Cash and Cash Equivalents	9	3,41,346	11,40,853
	(iii) Loans	10	13,000	10,000
	(iv) Other Financial assets	11	2,32,601	10,68,893
	(c) Current Tax Assets (Net)	12	25,42,702	14,13,937
	(d) Other Current Assets	13	2,22,45,693	1,07,23,399
	TOTAL		1,03,34,60,617	95,85,12,975
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	14	2,00,00,000	2,00,00,000
	(b) Other Equity		89,82,20,450	69,84,27,380
	LIABILITIES			
(1)	Non-Current Liabilities			
	(a) Provisions	15	7,00,102	5,39,021
	(b) Other non-current liabilities	16	9,29,00,000	13,00,00,000
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(a) Borrowings	17	-	8,54,89,311
	(b) Trade Payables	18	40,95,831	29,28,958
	(c) Others	19	18,82,955	4,19,248
	(b) Other Current Liabilities	20	1,56,42,631	2,06,80,546
	(c) Provisions	21	18,648	28,511
	TOTAL		1,03,34,60,617	95,85,12,975

Significant accounting policies and Notes to financial statements

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For N.C. AGGARWAL & CO.

Chartered Accountants

Firm Registration No. 003273N

G.K. AGGARWAL

Partner

M.No. 086622

Place: New Delhi

Dated: 19th May, 2017

For and on Behalf of the Board of Directors of
IITF Shipyards Limited**ALOK KUMAR**

Director

DIN No.00930344

MEGHA GUPTA

Director

DIN No.07256603

JITF SHIPYARDS LIMITED (Formerly Known as JITF Waterways Limited)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2017

	Particulars	Note No	For the year ended 31st March, 2017	For the year ended 31st March, 2016
I	Revenue From Operations	22	1,27,82,134	3,36,53,472
II	Other Income	23	41,76,088	12,80,694
III	Total Revenue (I+II)		1,69,58,222	3,49,34,166
IV	Expenses			
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	24	-	1,00,000
	Operational Expenses	25	1,33,06,426	1,42,50,020
	Employee Benefits Expenses	26	1,03,03,324	69,46,870
	Finance Costs	27	91,81,698	76,51,046
	Depreciation and Amortization Expenses	28	34,36,161	44,24,458
	Other Expenses	29	75,69,917	66,08,336
	Total Expenses (IV)		4,37,97,526	3,99,80,730
V	Profit before exceptional items and tax (III-IV)		(2,68,39,304)	(50,46,564)
VI	Exceptional Items (refer note no 16)		2,23,31,479	-
VII	Profit/(loss) before tax (V-VI)		(4,91,70,783)	(50,46,564)
VIII	Tax Expense:			
	(1) Current tax		-	-
	(2) Tax related to earlier years		-	-
	(3) Deferred Tax		(87,86,976)	(34,96,330)
IX	Profit (Loss) for the year after tax		(4,03,83,807)	(15,50,234)
X	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	(i) Re-measurement gains (losses) on defined benefit plans		2,48,561	(72,641)
	Income tax effect		(71,685)	25,140
	Total Other Comprehensive Income (X)		1,76,876	(47,501)
XI	Total Comprehensive Income for the year (IX+X)		(4,02,06,931)	(15,97,735)
XII	Earning per equity share of face value of Rs. 10/- each			
	(1) Basic (Rs.)		(20.19)	(0.78)
	(2) Diluted (Rs.)		(20.19)	(0.78)

Significant accounting policies and Notes to financial statements

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For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

G.K. AGGARWAL
Partner
M.No. 086622
Place: New Delhi
Dated: 19th May, 2017



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


ALOK KUMAR
Director
DIN No.00930344


MEGHA GUPTA
Director
DIN No.07256603

JITF SHIPYARDS LIMITED (Formerly Known as JITF Waterways Limited)
Statement of Changes in Equity for the year ended 31st March 2017
a. Equity Share Capital

Balance as at 1st April 2015	Changes in equity share capital during the year	Balance as at 1st April 2016	Changes in equity share capital during the year	Balance as at 31st March 2017
20,44,79,356	(18,44,79,356)	2,00,00,000	-	2,00,00,000

b. Other Equity

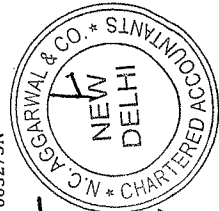
Particulars	(Amount in Rs.)					Total
	Equity component of compound financial instruments	Capital Reserve**	Reserves and Surplus Securities Premium Reserve	Retained Earnings	Items of Other Remeasurements of the net defined benefit Plans	
Balance as at April 1, 2015	-	-	4,08,85,87,120	(3,73,00,62,912)	12,669	35,85,36,877
Pursuant to the Composite Scheme of arrangement i.e. Merger with JWVL	2,38,32,33,620	(3,54,37,55,258)	-	4,66,53,957	(5,93,096)	(1,11,44,60,777)
Pursuant to the Composite Scheme of arrangement i.e. Merger with JWVL	-	5,56,85,48,818	(3,54,37,55,258)	-	-	2,02,47,93,560
Transfer in pursuant to the Composite Scheme of arrangement i.e. demerger of Ocean Business Segment	(2,38,32,33,620)	1,81,95,33,975	-	-	4,05,100	(56,32,94,545)
Adjusted pursuant to the Composite Scheme of arrangement i.e. demerger of Ocean Business segment	-	(3,68,31,79,181)	-	3,68,29,91,185	1,87,996	-
Remeasurements of the net defined benefit Plans for the year	-	-	-	-	(47,501)	(47,501)
Total Comprehensive Income for the year 2015-16	-	-	-	(15,50,233)	-	(15,50,233)
Share Capital Issue expenses	-	-	-	(55,50,000)	-	(55,50,000)
Balance at the end of the 31st March, 2016	-	16,11,48,354	54,48,31,862	(75,18,003)	(34,832)	69,84,27,381
Issued during the year (refer note no 14(i))	24,00,00,000	-	-	-	-	24,00,00,000
Remeasurements of the net defined benefit Plans for the year	-	-	-	-	1,76,876	(4,02,06,931)
Total Comprehensive Income for the year 2016-17	-	-	-	(4,03,83,807)	-	(4,03,83,807)
Balance at the end of the 31st March, 2017	24,00,00,000	16,11,48,354	54,48,31,862	(4,79,01,810)	1,42,044	89,82,20,450

** refer note no. 14(i)

For N.C. AGGARWAL & CO.

Chartered Accountants

Firm Registration No. 003273N



G.K. AGGARWAL

Partner

M.No. 086622

Place: New Delhi

Dated: 19th May, 2017

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

Amrita Megha
ALOK KUMAR MEGHA GUPTA
Director Director
DIN No.00930344 DIN No.07256603



IITF SHIPYARDS LIMITED (Formerly Known as IITF Waterways Limited)

Note-1

Property, Plant and Equipment

(Amount in Rs.)

Particulars	Leasehold Land	Freehold Land	Barges	Computers	Plant and Equipment	Furniture and Fixtures	Office Equipments	Vehicles	Total
Gross Block									
As of April 1, 2015	-	-	4,20,41,574	4,56,634	1,64,10,021	-	62,875	2,29,087	1,92,95,30,271
Additions	-	-	-	-	-	-	8,650	-	8,650
Disposal through business combination	-	-	-	(4,56,634)	(1,64,10,021)	-	(62,875)	(2,29,087)	(1,88,74,88,697)
Additions through business combination	4,27,08,742	70,23,07,019	-	1,11,575	90,13,955	1,36,816	1,41,504	2,44,228	75,46,63,839
As of March 31, 2016	4,27,08,742	70,23,07,019	4,20,41,574	1,11,575	90,13,955	1,36,816	1,50,154	2,44,228	79,67,14,063
Additions	-	-	-	-	70,046	4,58,650	35,545	-	5,64,241
Disposal/Adjustments	-	-	(4,20,41,574)	-	-	-	-	-	(4,20,41,574)
As of March 31, 2017	4,27,08,742	70,23,07,019	-	1,11,575	90,84,001	5,95,466	1,85,699	2,44,228	75,52,36,730
Accumulated Depreciation									
As of April 1, 2015	-	-	21,35,167	-	5,49,548	-	-	31,585	13,51,13,511
Accumulated Depreciation through business combination	94,90,800	-	-	33,810	8,64,332	20,228	64,289	67,423	1,05,40,882
Charge for the year	12,90,659	-	21,35,167	24,626	8,64,246	20,988	22,457	66,316	44,24,459
Disposal through business combination	-	-	-	-	(5,49,548)	-	-	(31,585)	(13,29,78,343)
As of March 31, 2016	1,07,81,459	-	42,70,334	58,436	17,28,578	41,216	86,746	1,33,739	1,71,00,509
Charge for the year	12,89,991	-	10,58,809	30,194	8,65,429	59,082	67,197	65,458	34,36,161
Disposal/Adjustments	-	-	(53,29,143)	-	-	-	-	-	(53,29,143)
As of March 31, 2017	1,20,71,450	-	-	88,630	25,94,008	1,00,298	1,53,943	1,99,198	1,52,07,527
Net carrying amount									
As of March 31, 2015	-	-	3,99,06,407	4,56,634	1,58,60,473	-	62,875	1,97,501	1,79,44,16,761
As of March 31, 2016	3,19,27,283	70,23,07,019	3,77,71,240	53,139	72,85,377	95,600	63,408	1,10,489	77,96,13,555
As of March 31, 2017	3,06,37,292	70,23,07,019	-	22,945	64,89,993	4,95,168	31,756	45,030	74,00,29,204



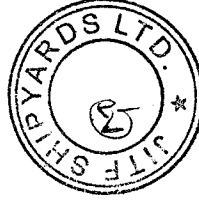
JITF SHIPYARDS LIMITED (Formerly Known as JITF Waterways Limited)
NOTES FORMING PART OF BALANCE SHEET

Note - 2

Non-Current Investments

Sr. No.	PARTICULARS	As at 31st March, 2017		As at 31st March, 2016		
		Nos.	Face Value (Rs.)	Amount (Rs.)	Nos.	Face Value (Rs.)
	<u>Non-Current Investments</u> <u>(At Cost)</u>					
	<u>Equity Shares Fully Paid Up of Subsidiary Companies - Unquoted</u> Investment in Jindal Intellicom Limited	1,07,76,770	10	10,87,54,470	1,07,76,770	10,87,54,470
	Investment in JITF Commodity Tradex Limited (Formerly known as JITF Coal Logistics Limited)*	-	-	-	50,000	5,00,000
	<u>Aggregate value of unquoted investments</u>			10,87,54,470		10,92,54,470

* ceased to be subsidiary w.e.f. from 30th June 2016 pursuant to sale of shareholding to Glebe Trading Pvt Ltd.



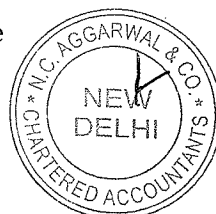
IITF SHIPYARDS LIMITED (Formerly Known as IITF Waterways Limited)
NOTES FORMING PART OF BALANCE SHEET

DESCRIPTION	As at 31st March 2017	As at 31st March 2016
3 <u>NON CURRENT- LOAN</u>		
Loan and advance to related party		
Glebe Trading Pvt. Ltd	11,13,60,251	-
Total Non Current Loan	11,13,60,251	-
4 <u>FINANCIAL ASSETS - OTHERS</u>		
Security Deposits	6,02,435	6,02,435
Fixed Deposit with remaining maturity of more than twelve months*	1,21,58,673	1,06,78,183
Total Financial Assets - Others	1,27,61,108	1,12,80,618
<i>*Out of this Pledged with bank Rs. 1,21,58,673/- (Previous year Rs. 1,06,78,183) as margin for bank guarantee.</i>		
5 <u>Deferred Tax Assets (net)</u>		
(a) Deferred Tax Liability		
Difference between book and tax depreciation	(27,40,509)	73,02,257
Total Deferred Tax Liabilities	(27,40,509)	73,02,257
(b) Deferred Tax Assets		
Carried forward losses	2,68,02,329	2,83,91,028
Disallowance under Income Tax Act, 1961	2,61,225	-
Total Deferred Tax assets	2,70,63,554	2,83,91,028
Total Deferred tax assets (net)	2,98,04,062	2,10,88,771
6 <u>OTHER NON-CURRENT ASSETS</u>		
Capital Advance		
Unsecured, considered good	-	3,17,649
Total Other Non-Current Assets	-	3,17,649
7 <u>INVENTORIES</u>		
Scrap	9,00,000	9,00,000
Fuel and Lubricants	-	1,88,480
Stores and consumables	38,47,740	3,51,918
Total Inventories	47,47,740	14,40,398
8 <u>TRADE RECEIVABLES</u>		
Unsecured, considered good		
From Related Party - Jindal ITF Limited	-	2,03,67,415
From Others	6,28,439	6,28,439
Total Trade Receivables	6,28,439	2,09,95,854



JITF SHIPYARDS LIMITED (Formerly Known as JITF Waterways Limited)
NOTES FORMING PART OF BALANCE SHEET

DESCRIPTION	As at 31st March 2017	As at 31st March 2016
9 CASH AND CASH EQUIVALENTS		
Balances with Banks		
In Current Accounts	3,19,950	11,38,542
Cash on Hand	21,396	2,311
Total Cash and Cash Equivalents	3,41,346	11,40,853
10 CURRENT FINANCIAL ASSETS - LOANS		
Loans to Employees	13,000	10,000
Total Current Loans	13,000	10,000
11 CURRENT FINANCIAL ASSETS - OTHERS		
Security Deposit		
To Related Party-JITF Coal Logistics Ltd	-	2,00,000
Interest accrued on Fixed Deposit	2,32,601	8,68,893
Total Financial Assets - Others	2,32,601	10,68,893
12 CURRENT TAX ASSETS (NET)		
Advance Taxation (Net)	25,42,702	14,13,937
Total Current tax assets (net)	25,42,702	14,13,937
13 OTHER CURRENT ASSETS		
Unsecured, Considered good		
Advance Recoverable in Cash or in kind*	33,08,492	43,78,469
Other receivable from related party (refer note no 13 of notes to accounts)	1,78,41,394	39,95,496
Advance to vendor	10,63,158	23,49,434
Others	32,649	-
Total Other Current Assets	2,22,45,693	1,07,23,399
*includes service tax Cenvat, VAT input etc.		
14 EQUITY SHARE CAPITAL		
(a) AUTHORISED SHARE CAPITAL		
20,00,000 (Previous year 2,00,00,000) Equity Shares of Rs. 10/- each#	2,00,00,000	20,00,00,000
<i>#Authorised capital reorganised to Rs. 18 crores as preference share capital and further during the year preference capital increased by Rs. 7 crores.</i>		
25,00,000, 0.1% Non Cumulative Compulsorily Convertible Preference shares of Rs. 100/- each	25,00,00,000	



JITF SHIPYARDS LIMITED (Formerly Known as JITF Waterways Limited)
NOTES FORMING PART OF BALANCE SHEET

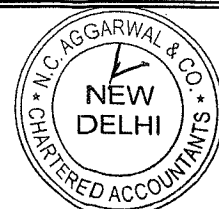
DESCRIPTION	As at 31st March 2017	As at 31st March 2016
(b) <u>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</u>		
20,00,000 (Previous year 20,00,000) Equity Shares of Rs. 10/- each	2,00,00,000	2,00,00,000
24,00,000, 0.1% Non Cumulative Compulsorily Convertible Preference shares of Rs. 100/- each	24,00,00,000	-
(c) <u>RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR</u>		
Shares outstanding at the beginning of the year	2,00,00,000	20,44,79,356
Less: Reduction in share capital Pursuant to Composite Scheme of Arrangement(refer note no.15 of notes to accounts)	-	(18,44,79,356)
Shares outstanding at the end of the year	<u>2,00,00,000</u>	<u>2,00,00,000</u>
(d) <u>EQUITY SHARE OF THE COMPANY HELD BY :-</u>		
Jindal Saw Limited	No of Shares 20,00,000	No of Shares 20,00,000
(e) <u>COMPULSORILY CONVERTIBLE PREFERENCE SHARE OF THE COMPANY HELD BY :-</u>		
Nalwa Sons Investment Limited	No of Shares 24,00,000	No of Shares -
(f) <u>SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:</u>		
Name of the Shareholder		
Jindal Saw Limited*		
No. of Shares Held	20,00,000	20,00,000
% of Holding	100%	100%
* Including 700 Shares held by Person/Companies as nominee of Jindal Saw Limited		
(g) <u>Terms/Rights attached to Equity Shares</u>		
The Company has only one class of equity shares having a par value of Rs.10/- per equity share. Each equity shareholder is entitled to one vote per share.		
(h) <u>Nature and Purpose of Reserves</u>		
Security premium account is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium reserve account and can use this reserve for buy-back of shares.		
<u>Compound Financial instrument</u>		
(i) 0.1% 24,00,000 Non Cumulative compulsorily convertible preference shares of face value of Rs. 100/- each convertible into Ten Equity shares of Rs. 10/- each after 20 years from the date of allotment i.e. 31st December 2016.		



JITF SHIPYARDS LIMITED (Formerly Known as JITF Waterways Limited)
NOTES FORMING PART OF BALANCE SHEET

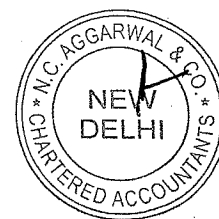
DESCRIPTION	As at 31st March 2017	As at 31st March 2016
<u>Capital Reserve</u>		
(j) Pursuant to Composite Scheme of Arrangement, Excess of asset over liabilities on Amalgamation of JITF Shipyards Limited with the Company has been recognised in Capital reserve as per the Scheme (Refer note no.15)		
15 <u>LONG TERM PROVISIONS</u>		
For Employee Benefits		
Leave Encashment	7,00,102	5,39,021
Total Long Term Provisions	7,00,102	5,39,021
16 <u>OTHER NON CURRENT LIABILITIES</u>		
From Related Party		
- Hexa Tradex Limited	9,29,00,000	13,00,00,000
Total Other Non Current Liabilities	9,29,00,000	13,00,00,000
17 <u>CURRENT BORROWINGS</u>		
<u>UNSECURED</u>		
Loans from related parties		
- Glebe Trading Private Ltd.*	-	8,54,89,311
Total Current Borrowings	-	8,54,89,311
18 <u>TRADE PAYABLES</u>		
Dues to other than Micro and Small enterprises*	40,95,831	29,28,958
Total Trade Payables	40,95,831	29,28,958
19 <u>FINANCIAL LIABILITIES - OTHERS</u>		
Due to Employees	4,76,646	4,19,248
Due to others	14,06,309	-
Total Financial Liabilities - Others	18,82,955	4,19,248

*There are no Micro and Small Enterprises, to whom the Company owes dues as at 31st March, 2017. 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.



JITF SHIPYARDS LIMITED (Formerly Known as JITF Waterways Limited)
NOTES FORMING PART OF BALANCE SHEET

DESCRIPTION	As at 31st March 2017	As at 31st March 2016
20 <u>OTHER CURRENT LIABILITIES</u>		
Advance From related Party (refer note no 13)	1,53,36,261	-
Statutory Dues	3,06,370	2,06,80,546
Total Other Current Liabilities	1,56,42,631	2,06,80,546
21 <u>CURRENT PROVISIONS</u>		
For Employee Benefits		
Leave Encashment	18,648	28,511
Total Current Provisions	18,648	28,511



JITF SHIPYARDS LIMITED(Formerly Known as JITF Waterways Limited)
NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS

(Amount in Rs.)

DESCRIPTION	For the year ended 31st March 2017	For the year ended 31st March 2016
22 Revenue From Operations		
Repair of barges	1,27,82,134	3,09,36,743
Cargo Freight Revenue	-	26,91,729
Other Receipt	-	25,000
Total	1,27,82,134	3,36,53,472
23 Other Income		
Interest Income on		
Fixed Deposit from banks	9,37,998	9,65,437
Other Loans and advances	32,38,090	2,21,872
On Income Tax Refund	-	1,392
Liabilities no longer required written back	-	91,993
Total	41,76,088	12,80,694
24 Changes in inventories of finished goods, work in progress and Stock-in-trade		
Opening Stock		
Scrap	9,00,000	10,00,000
Total Opening Stock	9,00,000	10,00,000
Closing Stock		
Scrap	9,00,000	9,00,000
Total Closing Stock	9,00,000	9,00,000
Total (Increase)/Decrease in Stock	-	1,00,000
25 Operational Expenses		
Power and Fuel	12,92,875	11,22,879
Repairs of Barge	71,02,561	1,16,98,131
Consumption of Stores and Spares	49,10,990	1,17,510
Ship Management Expenses	-	8,59,219
Insurance Expenses	-	4,52,281
Total	1,33,06,426	1,42,50,020
26 Employee Benefits Expense		
Salaries and Wages	94,31,324	62,53,715
Contribution to provident and other funds	6,04,250	4,49,214
Workmen and Staff Welfare	2,67,750	2,43,941
Total	1,03,03,324	69,46,870



JITF SHIPYARDS LIMITED(Formerly Known as JITF Waterways Limited)
NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS

(Amount in Rs.)

DESCRIPTION	For the year ended 31st March 2017	For the year ended 31st March 2016
27 <u>Finance Costs</u>		
Interest on Term Loan	-	25,35,728
Interest on Inter Corporate Loans	77,26,701	47,65,901
Bank Charges	21,779	2,226
Other Interest	14,33,218	3,47,191
Total	91,81,698	76,51,046
28 <u>Depreciation Expense</u>		
Depreciation	34,36,161	44,24,458
Total	34,36,161	44,24,458
29 <u>Other Expenses</u>		
Insurance	1,80,278	76,622
Legal and Professional	7,98,211	9,03,439
Repair and Maintenance	10,48,196	1,77,848
Postage, Telegrams and Telephone	1,30,277	1,32,016
Security Charges	25,00,095	23,41,276
Rates and Taxes	1,59,099	4,72,399
Printing and Stationary	43,036	29,941
Travelling and Conveyance	4,46,391	5,68,313
Vehicle Upkeep and Maintenance	2,39,041	-
Auditor's Remuneration		
As Audit Fees	50,000	50,000
As Tax Audit Fees	20,000	20,000
Donation	2,501	2,000
Commission on Sales	-	9,16,435
Rent	80,000	-
Loss /(Gain) on Foreign Exchange	7,000	-
Miscellaneous Expenses	18,65,792	9,18,047
Total	75,69,917	66,08,336



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 30

1. Corporate and General Information

JITF Waterways Limited is a Company incorporated on 24th January, 2007 with the main object to carry on the business to establish, build, maintain, operate barrages, jetties, ports, terminals, canals, water ways, for transportation by water, cargo, goods, material, passengers, shipping for the purpose of establishing and providing of necessary infrastructure / support /logistics on its own or otherwise 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.

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

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 no. 4 on critical accounting estimates, assumptions and judgements).

3.0 Significant Accounting Policies

3.1 Basis of Measurement

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

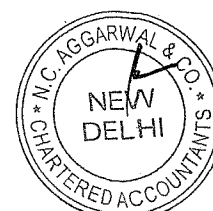
- financial assets and liabilities except borrowings carried at amortised cost,
- defined benefit plans – plan assets measured at fair value,
- Property, plant and equipment on transition to IND AS.
- Investment in subsidiary on transition to IND AS.

3.2 Property, Plant and Equipment

On transition to IND AS, the Company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at fair value. Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently 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.

Assets are depreciated to the residual values on a straight line basis over the estimated useful lives based on technical estimates which is different from one specified in Schedule II to the Companies Act, 2013. Assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets and benchmarking analysis or whenever there are indicators for review of residual value and useful life. Changes in the expected useful life of assets are treated as change in accounting estimates. Freehold land is not depreciated. Estimated useful lives of the assets are as follows:

Category of Assets	Years
-Leasehold Land	Lease period
Equipment & Machinery	
-Plant and Machinery	15
-Barges	28
Other equipment, operating and office equipment	
-Computer equipment	3-6
-Office furniture and equipment	3 - 5
-Vehicles	8 - 10



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 30

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.

3.3 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.

3.4 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.

For the purpose of the Statement of Cash Flows, cash and cash equivalents include, outstanding bank overdrafts shown within the borrowings in current liabilities in the Balance Sheet and which are considered an integral part of the Company's cash management.

3.5 Inventories

Inventories of fuel oil and stores and spares are carried at cost or net realisable value whichever is lower. Cost is determined on first in first out basis.

3.6 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.



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 30

3.7 Foreign currency reinstatement and translation

(a) Functional and presentation currency

These financial statements have been presented in Indian Rupees which is the Company's functional and presentation currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

3.8 Financial instruments – initial recognition, subsequent measurement and impairment

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.

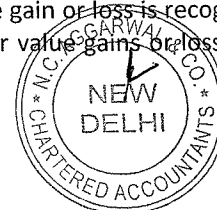
A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Investment in equity shares

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss if such investments in equity securities are held for trading purposes. The fair value gains or losses of all other equity securities are recognized in Other Comprehensive Income.



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 30

a) Financial Liabilities

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

Financial liabilities are classified in two categories; subsequent measurement of financial assets is depended on initial categorisation. These categories and their classification are as below:

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 amortised cost

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

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.

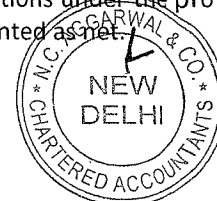
3.9 Equity share capital

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.

3.10 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.



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 30

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred 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.

3.11 Revenue recognition and other operating income

Sale of goods

Revenue is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue is inclusive of excise duty and excise duty is presented separately to present revenue net of excise duty.

Freight and demurrage earnings are recognized on completed voyage basis/ upon loading/unloading 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 is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend

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

3.12 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

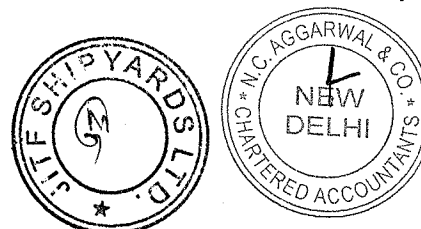
3.13 Provisions and contingencies

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 3.6 for provision relating to gratuity and leave encashment.



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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.

3.14 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.

3.15 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:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) 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:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period, or
- d) 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.

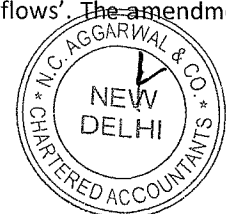
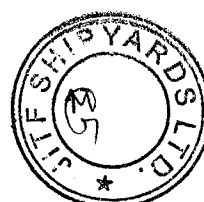
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.16 Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the company from April 1, 2017.

Amendment to Ind AS 7:



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The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

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 exception for fair valuation of property, plant and equipment. 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) 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.

(c) 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.

(d) 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.

(e) Insurance claims

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

5. Financial risk management

5.1 Financial risk factors

The Company's principal financial liabilities, comprise borrowings and 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 that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

i) Market risk



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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: interest rate risk and other price risks such as commodity risk. Financial instruments affected by market risk include loans and borrowings and investments. 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, 2017 and March 31, 2016.

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.

(a) Interest rate risk and sensitivity

The Company's has no exposure to the risk of changes in market interest rates relates primarily to the Company's 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, 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 & distributors, which mitigate the credit risk to an extent. The ageing of trade receivable is as below:

Ageing of trade receivables (FY 2016-17)

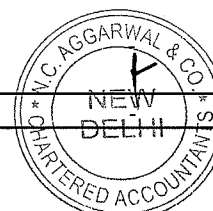
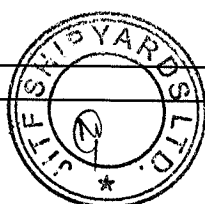
(Amount in Rs.)

Particulars	Not due				Total
		<6 months	6-12 months	1 years & Above	
Trade receivable Unsecured	-	-	-	6,28,439	6,28,439
Total	-	-	-	6,28,439	6,28,439

Ageing of trade receivables (FY 2015-16)

(Amount in Rs.)

Particulars	Not due				Total
		<6 months	6-12 months	1 years & Above	
Trade receivable Unsecured	-	1,34,36,674	75,59,180		2,09,95,854
Total	-	1,34,36,674	75,59,180		2,09,95,854



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Liquidity risk

The Company's objective is to; at all times 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.

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.

Trade payable ageing and other liabilities (FY 2016-17) (Amount in Rs.)

Particulars	Ageing as at March 31,2017				
	Carrying Amount	On demand /Overdue	< 6 months	6-12 months	> 1 years
Interest bearing Borrowings	-	-	-	-	-
Other financial liabilities	18,82,955	-	18,82,955	-	-
Trade payable	40,95,831	-	40,95,831	-	-
Total	59,78,786	-	59,78,786	-	-

Trade payable ageing and other liabilities (FY 2015-16) (Amount in Rs.)

Particulars	Ageing as at March 31,2016				
	Carrying Amount	On demand /Overdue	< 6 months	6-12 months	> 1 years
Interest bearing Borrowings	8,54,89,311	8,54,89,311	-	-	-
Other financial liabilities	4,19,248	-	4,19,248	-	-
Trade payable	29,28,958	-	29,28,958	-	-
Total	8,88,37,517	8,54,89,311	33,48,206	-	-

Interest rate & currency of borrowings

The below table demonstrate the borrowing of fixed and floating rate of interest

(Amount in Rs.)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings
INR	-	-	-
Total as at March 31, 2017	-	-	-
INR	8,54,89,311	-	8,54,89,311
Total as at March 31, 2016	8,54,89,311	-	8,54,89,311

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.



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The Gearing ratio for FY 2016-17 and 2015-16 is an under:

(Amount in Rs.)

Particulars	As of March 31, 2017	As of March 31, 2016
Loans and borrowings	-	8,54,89,311
Less: cash and cash equivalents	3,41,346	11,40,853
Net debt	(3,41,346)	8,43,48,459
Total capital	91,82,20,450	71,84,27,382
Capital and net debt	91,78,79,104	80,27,75,841
Gearing ratio	-0.04%	10.51%

6. 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.

(Amount in Rs.)

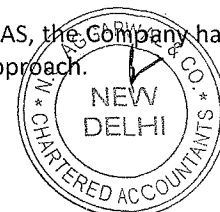
Particulars	As at March 31, 2017		As at March 31, 2016	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at amortised cost				
Fixed deposits with banks	-	-	-	-
Cash and bank balances	3,41,346	3,41,346	11,40,853	11,40,853
Trade and other receivables	6,28,439	6,28,439	2,09,95,854	2,09,95,854
Loans	11,13,73,251	11,13,73,251	10,000	
Other financial assets	1,29,93,709	1,29,93,709	1,23,49,511	1,23,49,511
	12,53,36,745	12,53,36,745	3,44,96,217	3,44,86,217
Financial liabilities designated at amortised cost				
Borrowings- fixed rate	-	-	8,54,89,311	8,54,89,311
Borrowings- floating rate	-	-	-	-
Trade & other payables	40,95,831	40,95,831	29,28,958	29,28,958
Other financial liabilities	18,82,955	18,82,955	4,19,248	4,19,248
	59,78,786	59,78,786	8,88,37,517	8,88,37,517

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) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings is not material different from 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 issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.
- 3) The fair value of fixed interest bearing loans, borrowings and deposits is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- 4) IND AS 101 allow Company to fair value property, plant and machinery on transition to IND AS, the Company has fair valued property, plant and equipment, and the fair valuation is based on replacement cost approach.



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Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 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. Derivatives included interest rate swaps and foreign currency forwards.
- 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 3 as described below:

Assets / Liabilities for which fair value is disclosed

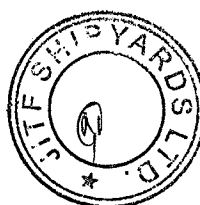
(Amount in Rs.)

Particulars	As at March 31, 2017		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- fixed rate		-	
Other financial liabilities		18,82,955	

Particulars	As at March 31, 2016		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- fixed rate		8,54,89,311	
Other financial liabilities		4,19,248	

During the year ended March 31, 2017 and March 31, 2016, 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 within level 2 and 3, and quantitative information about significant unobservable inputs for fair value measurements within Level 3 of the fair value hierarchy as of March 31, 2016 and March 31, 2015, respectively:



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a) Assets / Liabilities for which fair value is disclosed

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial liabilities			
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

7. 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.

8. Income tax expense

(Amount in Rs.)

Description	Year ended March 31, 2017	Year ended March 31, 2016
Current tax		
Deffered Tax		
> Relating to origination & reversal of temporary differences	1,23,01,771	31,76,924
> Relating to Change in tax rate	(35,14,795)	3,19,406
Tax (expense)/income attributable to current year's profit	87,86,976	34,96,330

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 Rs.)

S.No	Description	2016-17	2015-16
	Net Loss(Income) before taxes	4,91,70,783	50,46,564
	Enacted tax rates	28.840%	34.608%
	Computed tax Income (expense)	1,41,80,854	17,46,515
	Increase/(reduction) in taxes on account of:		
1	Deffered tax of Previous Years	(69,667)	14,53,311
2	Other non deductible expenses	(1,95,769)	(54,739)
3	Income not taxable/exempt from tax	-	31,837
4	Tax on which no deduction is admissible		
5	Capital gain on sale of fixed assets	(16,13,646)	
6	Change in rate of taxes	(35,14,795)	3,19,406
	Income tax income(expense) reported	87,86,976	34,96,330



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9. Deferred income tax

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

(Amount in Rs.)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Book base and tax base of Fixed Assets	1,00,42,766	31,76,924
(Disallowance)/Allowance(net) under Income Tax	2,61,225	
Brought forward losses set off	(15,17,014)	3,19,406
Total :	87,86,976	34,96,330

Component of tax accounted in OCI and equity

(Amount in Rs.)

Description	Year ended March 31, 2017	Year ended March 31, 2016
Component of OCI		
Deferred Tax (Gain)/Loss on defined benefit	71,685	(25,140)

10. Retirement benefit obligations

1. Expense recognised for Defined Contribution plan

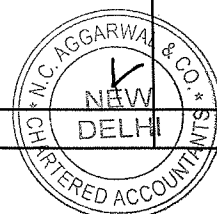
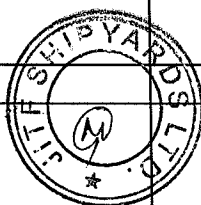
Expense recognised for Defined Contribution plan

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Company's contribution to provident fund	4,05,369	3,65,885
Company's contribution to ESI	62,773	66,931
Company's contribution to superannuation fund	-	-
Total	4,68,142	4,32,816

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, 2016 and March 31, 2015, being the respective measurement dates:

2. Movement in obligation

Particulars	Gratuity (funded)	Leave encashment (unfunded)
Present value of obligation - April 1, 2015	3,71,239	4,09,366
Current service cost	1,10,258	1,15,093
Interest cost	29,699	32,750
Benefits paid	-	(61,054)
Acquisitions / Transfer in/ Transfer out	-	-
Remeasurements - actuarial loss/ (gain)	69,262	71,379
Present value of obligation - March 31, 2016	5,80,458	5,67,534
Present value of obligation - April 1, 2016	5,80,458	5,67,534
Current service cost	1,26,639	2,74,301
Interest cost	43,534	42,565
Benefits paid	-	(1,45,001)
Acquisitions / Transfer in/ Transfer out	-	-
Remeasurements - actuarial loss/ (gain)	(2,42,686)	(20,648)
Present value of obligation - March 31, 2017	5,07,945	7,18,751



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3. Movement in Plan Assets – Gratuity

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Fair value of plan assets at beginning of year	7,94,024	7,30,372
Expected return on plan assets	59,552	60,976
Employer contributions	(5,145)	6,055
Benefits paid	-	-
Amount received on redemption of plan assets	-	-
Acquisitions / Transfer in/ Transfer out	-	-
Actuarial gain / (loss)	5,875	(3,379)
Fair value of plan assets at end of year	8,54,306	7,94,024
Present value of obligation	5,07,945	5,80,458
Net funded status of plan	3,46,361	2,13,566
Actual return on plan assets	65,426	57,597

The components of the gratuity & leave encashment cost are as follows:

4. Recognised in profit and loss

Particulars	Gratuity	Compensated absence
Current Service cost	1,26,639	2,74,301
Interest cost	43,534	42,565
Expected return on plan assets	(59,552)	-
Remeasurement - Actuarial loss/(gain)	-	(20,648)
Past service cost	-	-
For the year ended March 31, 2017	1,10,621	2,96,218
Current Service cost	1,10,258	1,15,093
Interest cost	29,699	32,750
Expected return on plan assets	(60,976)	-
Remeasurement - Actuarial loss/(gain)	-	71,379
Past service cost	-	-
For the year ended March 31, 2016	78,981	2,19,222
Actual return on plan assets	65,426	-

5. Recognised in other comprehensive income

Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	(2,48,561)
For the year ended March 31, 2017	(2,48,561)
Remeasurement - Actuarial loss/(gain)	72,641
For the year ended March 31, 2016	72,641



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

Weighted average actuarial assumptions	As of March 31, 2017	As of March 31, 2016
Attrition rate		
Discount Rate	7.50%	8.00%
Expected Rate of increase in Compensation levels	6.50%	6.50%
Expected Rate of Return on Plan Assets	7.50%	8.00%
Mortality rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected Average remaining working lives of employees (years)	17.30	17.3

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. Same assumptions were considered for comparative period i.e. 2014-15 as considered in previous GAAP on transition to IND AS.

7. Sensitivity analysis:

Particulars	change in Assumption	Effect on Gratuity obligation	Effect on compensated absence obligation
Discount rate	+1%	4,48,667	6,36,903
	-1%	5,77,726	8,14,860
Salary Growth rate	+1%	5,77,726	8,14,860
	-1%	4,47,642	6,35,480
Withdrawal Rate	+1%	5,07,813	7,25,732
	-1%	5,07,452	7,11,005

For the year ended March 31, 2016

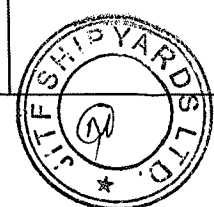
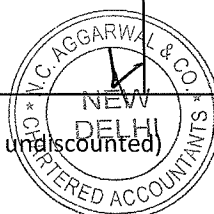
Particulars	change in Assumption	Effect on Gratuity obligation	Effect on compensated absence obligation
Discount rate	+1%	5,12,631	5,03,071
	-1%	6,60,625	6,43,476
Salary Growth rate	+1%	6,61,032	6,43,860
	-1%	5,11,166	5,01,679
Withdrawal Rate	+1%	5,88,088	5,76,314
	-1%	5,71,697	5,57,658

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 Balance Sheet.

8. History of experience adjustments is as follows:

Particulars	Gratuity	Compensated absence
For the year ended March 31, 2017		
Plan Liabilities - (loss)/gain	2,68,637	49,484
Plan Assets - (loss)/gain	5,875	-
For the year ended March 31, 2016		
Plan Liabilities - (loss)/gain	-	-
Plan Assets - (loss)/gain	-	-

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



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Particulars	Gratuity
01 Apr 2017 to 31 Mar 2018	8,333
01 Apr 2018 to 31 Mar 2019	8,333
01 Apr 2019 to 31 Mar 2020	13,185
01 Apr 2020 to 31 Mar 2021	13,408
01 Apr 2021 to 31 Mar 2022	13,408
01 Apr 2022 Onwards	5,33,279

9. Statement of Employee benefit provision

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Gratuity	-	-
Compensated absences	7,18,751	5,67,534
Total	7,18,751	5,67,534

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, 2017

Particulars	Gratuity	Leave Encashment
Current provision	-	18,649
Non current provision	-	7,00,102
Total Provision	-	7,18,751

For the year ended March 31, 2016

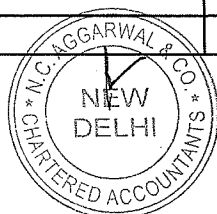
Particulars	Gratuity	Leave Encashment
Current provision	-	28,513
Non current provision	-	5,39,021
Total Provision	-	5,67,534

11. Employee benefit expenses

Employee benefit expenses	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries and Wages	94,31,324	62,53,715
Costs-defined benefit plan	-	-
Costs-defined contribution plan	6,04,250	4,49,214
Welfare expenses	2,67,750	2,43,941
Total	1,03,03,324	69,46,870

(Figures in no.)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Average no of people employed	16	17



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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 Statement of Profit & Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss. 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 (leave encashment 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.

11. Other disclosures

a) Auditors Remuneration

(Amount in Rs.)

Particulars	For year ended March 31, 2017	For year ended March 31, 2016
Statutory Auditors		
a) Audit Fees	50,000	50,000
b) Tax Audit Fees	20,000	20,000
Total	70,000	70,000

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

12. Contingent liabilities

i) Guarantees

(Amount in Rs.)

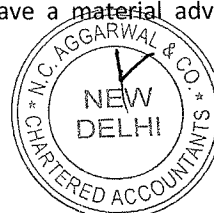
Particulars	As of March 31, 2017	As of March 31, 2016
Guarantees issued by company's banker on behalf of the Company	1,00,00,000	1,00,00,000
Total	1,00,00,000	1,00,00,000

ii) Other contingent liabilities

(Amount in Rs.)

Particulars	As of March 31, 2017	As of March 31, 2016
Excise duty	-	19,53,482
Total	-	19,53,482

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 defences 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 flows or financial condition of the Company.



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
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13. 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. Related parties

a) Holding Company

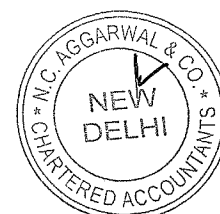
Jindal Saw Limited

b) Subsidiaries

S. No.	Name of the Entity
1	Jindal Intellicom Limited
2	Icom analytics Limited

c) Fellow subsidiaries

S. No.	Name of the Entity
1	Sulog Transshipment Services Ltd.
2	IUP Jindal Metals & Alloys Limited
3	S.V. Trading Limited
4	Quality Iron and Steel Limited
5	Ralael Holdings Limited
6	Jindal Saw Holdings FZE
7	Greenray Holdings Limited
8	Jindal Saw Espana,S.L.
9	Jindal Tubular (India) Ltd.
10	Jindal Quality Tubular Limited
11	JITF Shipping & Logistics (Singapore) Pte. Limited
12	Universal Tube Technology Private Ltd.- upto12.04.2016
13	Jindal Saw USA, LLC
14	Jindal Saw Italia S.P.A.
15	Jindal Saw Middle East FZC
16	Derwent Sand SARL
17	Jindal Saw Gulf L.L.C.
18	Jindal International FZE
19	Jindal Tubular U.S.A. LLC
20	World Transload & Logistics LLC
21	5101 Boone LLP
22	Tube Technologies INC
23	Helical Anchors INC
24	Boone Real Property Holding LLC
25	Drill Pipe International LLC
26	JITF Commodity Tradex Ltd. (formerly JITF Coal Logistics Limited)



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d) Entities where key management personnel and their relatives exercise significant influence

Glebe Trading Private Limited
Hexa Tradex Limited

Related Party Transactions

(Amount in Rs.)

Particulars	Holding Company		Subsidiary/Fellow Subsidiary		Entities where KMP having significant influence	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Security deposits given JITF Coal Logistics Ltd.	Nil	Nil	Nil	2,00,000	Nil	Nil
Security deposits Received JITF Coal Logistics Ltd.	Nil	Nil	2,00,000	Nil	Nil	Nil
Advance Repaid Hexa Tradex Limited	Nil	Nil	Nil	Nil	3,71,00,000	Nil
Advance Given Jindal SAW Ltd	Nil	Nil	1,38,45,899	Nil	Nil	Nil
Services rendered Repair of Barges: Jindal ITF Ltd.	Nil	Nil	1,27,82,135	3,09,36,743	Nil	Nil
Interest Paid: Glebe Trading Private Limited	Nil	Nil	Nil	Nil	77,26,702	47,65,901
Interest Received: Jindal Saw Ltd.	Nil	Nil	Nil	10,89,000	Nil	Nil
Loans taken/received Glebe Trading Private Limited	Nil	Nil	Nil	Nil	Nil	28,05,00,000
Loans paid/repaid Jindal ITF Ltd. Glebe Trading Private Limited	Nil Nil	Nil Nil	Nil Nil	5,57,03,224 Nil	Nil 8,54,89,311	Nil 19,93,00,000
Loan given Glebe Trading Private Limited	Nil	Nil	Nil	Nil	10,81,22,159	Nil
Investment Sold Glebe Trading Private Limited	5,00,000	Nil	Nil	Nil	Nil	Nil



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
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Related party Balances

(Amount in Rs.)

Particulars	Holding Company		Subsidiary/Fellow Subsidiary		Entities where KMP having	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Balances as on 31st March, 2017						
Share Capital including Share Premium						
Jindal Saw Limited	2,00,00,000	2,00,00,000	Nil	Nil	Nil	Nil
Advance from Customer						
Jindal ITF Ltd.	Nil	Nil	Nil	2,03,67,416	Nil	Nil
Advance Payable to						
Hexa Tradex Limited					9,29,00,000	13,00,00,000
Jindal ITF Ltd.	Nil	Nil	1,53,36,261	Nil		
Loan Payable:						
Glebe Trading Private Limited	Nil	Nil	Nil	Nil	Nil	8,12,00,000
Loan Receivable :						
Glebe Trading Private Limited					10,81,22,159	
Jindal Saw Limited	1,78,41,395	39,95,496	Nil	Nil	Nil	Nil
Interest Accrued (Receivable)						
Glebe Trading Private Limited	Nil	Nil	Nil	Nil	32,38,091	Nil
Interest Accrued (Payable)						
Glebe Trading Private Limited	Nil	Nil	Nil	Nil	Nil	42,89,311
Security deposits given						
JITF Coal Logistics Ltd.	Nil	Nil	Nil	2,00,000	Nil	Nil
Investment in Equity Shares of						
Jindal Intellicom Limited	Nil	Nil	10,87,54,470	10,87,54,470	Nil	Nil
Glebe Trading Private Limited	Nil	Nil	Nil	Nil	Nil	5,00,000

Key Management Personnel (KMP)

(Amount in INR)

Particulars	Year Ended	Year Ended
	March 31, 2017	March 31, 2016
Short-Term employee benefits*	-	3,44,318
Post-Employment benefits		
- Defined contribution plan\$	-	30,240
- Defined benefit plan#		
Total	-	3,74,558

* including bonus, setting fee, commission on accrual basis and value of perquisites

including leave encashment, gratuity and any other benefits

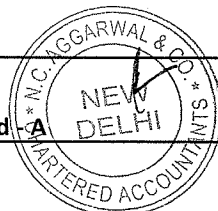
\$ including PF and any other benefits



14. 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	Year ended	Year ended
	March 31, 2017	March 31, 2016
Issued equity shares	20,00,000	20,00,000
Weighted average shares outstanding - Basic and Diluted	20,00,000	20,00,000



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
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Net profit/(Loss) available to equity holders of the company used in the basic and diluted earnings per share was determined as follows:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit and loss after tax - B	(4,03,83,807)	(15,50,233)
Basic Earnings per share (B/A)	(20.19)	(0.78)
Diluted Earnings per share (B/A)	(20.19)	(0.78)

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.

15. Composite Scheme of Arrangement

The Financials of the company has been prepared after giving the effect of Section II and Section III of Composite Scheme of Arrangement approved by the Hon'ble High Court of Judicature at Allahabad (Uttar Pradesh) vide its Order dated July 8, 2016, made effective from August 5, 2016, operative from appointed date April 1, 2015 entailing merger of JITF Shipyards Limited with JITF waterways Limited as per Section II of Composite Scheme of Arrangement and demerger of Ocean waterways business into Jindal Saw Limited as per Section III of Composite Scheme of Arrangement.

As an integral part of scheme, after scheme becoming effective, the name of JITF Waterways Limited shall has been changed to JITF Shipyards Limited.

16. Exceptional items represent loss on sale of barge amounting to Rs. 2,23,31,479.

17. The detail of Specified Bank Notes held and transacted during the period from 8th November, 2016 to 30th December, 2016 as required by Ministry of Corporate Affairs wide notification no G.S.R 308 (E) dated 30th March, 2017 is as follows:

(Amount in Rs.)

Particulars	SBNs	Other denomination notes	Total
Closing cash in Hand as on 8.11.2016	19,000	36,925	55,925
(+) Permitted receipts	-	1,75,000	1,75,000
(-) Permitted Payments	-	1,72,526	1,72,526
(-) Amount deposited in Banks	19,000	-	19,000
Closing cash in Hand as on 30.12.2016	-	39,399	39,399

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

19. Notes 1 to 19 are annexed and form integral part of Financial Statements.

For N.C. AGGARWAL & CO.

Chartered Accountants

Firm Registration No. 003273N

For and on Behalf of the Board of Directors of

JITF Shipyards Limited

G.K. AGGARWAL

Partner

M.No. 086622

Place: New Delhi

Dated: 19th May, 2017



ALOK KUMAR

Director

DIN No.00930344

MEGHA GUPTA

Director

DIN No.07256603