

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, 2018, 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, 2018 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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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, 2018;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



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.

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



(M.P. Jain)
Partner
M. No. 082407
Dated: 23rd May, 2018
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, 2018)

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, 2018 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.



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



(M.P. Jain)
Partner
M. No. 082407
Dated: 23rd May, 2018
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, 2018

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, 2018 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, 2018, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

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



(M.P. Jain)
Partner
M. No. 082407
Dated: 23rd May, 2018
Place: New Delhi



JITF SHIPYARDS LIMITED (Formerly Known as JITF Waterways Limited)
BALANCE SHEET AS AT 31st March, 2018
 CIN No. U35122UP2007PLC069366

(Amount in Rs.)

	Particulars	Note No	As at 31st March, 2018	As at 31st March, 2017
	ASSETS			
(1)	Non-Current Assets			
	(a) Property, Plant and Equipment	1	737,863,311	740,029,204
	(b) Capital Work-in-Progress		-	-
	(c) Financial Assets			
	(i) Investments	2	108,754,470	108,754,470
	(ii) Loans	3	106,773,944	111,360,251
	(iii) Other Financial assets	4	545,271	12,761,108
	(d) Deferred tax assets (net)	5	27,945,269	29,804,063
(2)	Current Assets			
	(a) Inventories	6	5,170,543	4,747,740
	(b) Financial Assets			
	(i) Trade Receivables	7	6,214,317	628,439
	(ii) Cash and Cash Equivalents	8	160,599	341,346
	(iii) Loans	9	12,000	13,000
	(iv) Other Financial assets	10	-	232,601
	(c) Current Tax Assets (Net)	11	3,442,457	2,542,702
	(d) Other Current Assets	12	2,977,095	22,245,693
	TOTAL		999,859,276	1,033,460,618
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	13	20,000,000	20,000,000
	(b) Other Equity		892,728,815	898,220,450
	LIABILITIES			
(1)	Non-Current Liabilities			
	(a) Provisions	14	792,439	700,102
	(b) Other non-current liabilities	15	79,322,455	92,900,000
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(a) Trade Payables	16	4,344,114	4,095,831
	(b) Others	17	1,952,036	1,882,955
	(b) Other Current Liabilities	18	691,759	15,642,631
	(c) Provisions	19	27,658	18,649
	TOTAL		999,859,276	1,033,460,618

Significant accounting policies and Notes to financial statements

28


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


M.P. Jain
 Partner
 M.No. 082407



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


ALOK KUMAR
 Director
 DIN No.00930344


MEGHA GUPTA
 Director
 DIN No.07256603

Place: New Delhi
 Dated: 23rd May, 2018



DILIP KUMAR NANDI
 CFO

JITF SHIPYARDS LIMITED (Formerly Known as JITF Waterways Limited)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2018


(Amount in Rs.)

	Particulars	Note No	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I	Revenue From Operations	20	25,517,976	12,782,134
II	Other Income	21	11,098,013	4,176,088
	Total Revenue (I+II)		36,615,989	16,958,222
III	Expenses			
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	22	-	-
	Operational Expenses	23	11,810,871	13,306,426
	Employee Benefits Expenses	24	8,127,503	10,303,324
	Finance Costs	25	35,294	9,181,698
	Depreciation and Amortization Expenses	26	2,306,776	3,436,161
	Other Expenses	27	17,757,871	7,569,917
	Total Expenses (III)		40,038,315	43,797,526
IV	Profit before exceptional items and tax (I+II-III)		(3,422,326)	(26,839,304)
V	Exceptional Items (refer note no 16)		-	22,331,479
VI	Profit/(loss) before tax (IV-V)		(3,422,326)	(49,170,783)
VII	Tax Expense:			
	(1) Current tax			-
	(2) Tax related to earlier years			-
	(3) Deferred Tax		1,917,359	(8,786,976)
VIII	Profit (Loss) for the year after tax		(5,339,685)	(40,383,807)
IX	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	(i) Re-measurement gains (losses) on defined benefit plans		(210,515)	248,561
	Income tax effect		58,565	(71,685)
	Total Other Comprehensive Income (IX)		(151,950)	176,876
X	Total Comprehensive Income for the year (VIII+IX)		(5,491,635)	(40,206,931)
XI	Earning per equity share of face value of Rs. 10/- each			
	(1) Basic (Rs.)		(2.67)	(20.19)
	(2) Diluted (Rs.)		(2.67)	(20.19)

Significant accounting policies and Notes to financial statements

28

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


M.P. Jain
Partner
M.No. 082407



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


ALOK KUMAR
Director
DIN No.00930344


MEGHA GUPTA
Director
DIN No.07256603

Place: New Delhi
Dated: 23rd May, 2018



DILIP KUMAR NANDI
CFO

JITF SHIPYARDS LIMITED (Formerly Known as JITF Waterways Limited)
IND AS CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in Rs.)

Particulars	For the year ended 31st March,2018	For the year ended 31st March,2017
A. CASH FLOWS FROM OPEARTING ACTIVITIES:		
Net Profit/(loss) Before Income taxes	(3,422,326)	(40,206,931)
Adjustment for:		
Depreciation	2,306,776	3,436,161
Interest Expenses	35,294	9,181,698
Interest Income	(11,098,013)	4,176,088
Operating profit before working capital changes	(12,178,269)	(23,412,983)
Loans and Advances & Other Current Assets	30,818,287	(133,056,151)
Inventories	(422,803)	(3,307,342)
Trade and Other Receivable	(5,585,878)	20,367,415
Trade Payables & Other payables	(28,320,222)	(39,356,117)
Cash generated from operations	(15,688,885)	(178,765,179)
Direct taxes paid	-	-
Net cash Inflow/(Outflow) from operating activities	(15,688,885)	(178,765,179)
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Received	-	(4,176,088)
Sale/(Purchase) of Investment	-	500,000
Sale/(Purchase) of fixed assets (net)	(140,888)	36,312,770
Net cash (Outflow) from investing activities	(140,888)	32,636,682
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest Paid	(35,294)	(9,181,698)
Proceeds from Issue of Equity Share Capital	-	240,000,000
Increase/(Decrease) in Loans	15,684,320	-
Increase/(Decrease) in short term borrowings	-	(85,489,312)
Net cash Inflow from financing activities	15,649,026	145,328,990
Net changes in cash and cash equivalents	(180,747)	(799,507)
Cash and cash equivalents at beginning of the year	341,346	1,140,853
Cash and cash equivalents at end of the year	160,599	341,346

Note:

- 1 Previous Year figures have been regrouped wherever considered necessary.

As per our report of even date

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

M.P. Jain
Partner
M.No. 082407



Place: New Delhi
Dated: 23rd May, 2018



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

DILIP KUMAR NANDI
CFO

IITF SHIPYARDS LIMITED (Formerly Known as IITF Waterways Limited)
Statement of Changes in Equity for the year ended 31st March, 2018

a. Equity Share Capital

Balance as at 1st April, 2017	Changes in equity share capital during the year	Balance as at 31st March, 2018
20,000,000	-	20,000,000

b. Other Equity

Particulars	Equity component of compound financial instruments	Reserves and Surplus			Retained Earnings	Items of Other Remeasurements of the net defined benefit Plans	Total
		Capital Reserve	Securities Premium Reserve	Other Reserves			
Balance as at April 1, 2016	-	161,148,354	544,831,862	-	(7,518,003)	(34,832)	698,427,381
Issued during the year (refer note no 14(i))	240,000,000	-	-	-	-	-	240,000,000
Total Comprehensive Income for the year 2016-17	-	-	-	-	(40,383,807)	176,876	(40,206,931)
Balance at the end of the 31st March, 2017	240,000,000	161,148,354	544,831,862	-	(47,901,810)	142,044	898,220,450
Total Comprehensive Income for the year 2017-18	-	-	-	-	(5,339,685)	(151,950)	(5,491,635)
Balance at the end of the 31st March, 2018	240,000,000	161,148,354	544,831,862	-	(53,241,495)	(9,906)	892,728,815

(Amount in Rs.)

P. C. GOYAL & CO.

Chartered Accountants
 Firm Registration No. 002368N

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



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

Alok Kumar
ALOK KUMAR
 Director
 DIN No.00930344

Megha Gupta
MEGHA GUPTA
 Director
 DIN No.07256603

DILIP KUMAR NANDI
 CFO



Place: New Delhi
 Dated: 23rd May, 2018

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 at April 1, 2016	42,708,742	702,307,019	42,041,574	111,575	9,013,955	136,816	150,154	244,228	796,714,063
Additions	-	-	-	-	70,046	458,650	35,545	-	564,241
Disposal/Adjustments	-	-	(42,041,574)	-	-	-	-	-	(42,041,574)
As at March 31, 2017	42,708,742	702,307,019	-	111,575	9,084,001	595,466	185,699	244,228	755,236,730
Additions	-	-	-	-	110,688	-	30,200	-	140,888
Disposal/Adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2018	42,708,742	702,307,019	-	111,575	9,194,689	595,466	215,899	244,228	755,377,618
Accumulated Depreciation									
As at April 1, 2016	10,781,459	-	4,270,334	58,436	1,728,578	41,216	86,746	133,739	17,100,509
Charge for the year	1,289,991	-	1,058,809	30,194	865,429	59,082	67,197	65,458	3,436,161
Disposal/Adjustments	-	-	(5,329,143)	-	-	-	-	-	(5,329,143)
As at March 31, 2017	12,071,450	-	-	88,630	2,594,008	100,298	153,943	199,198	15,207,527
Charge for the year	1,289,996	-	-	14,044	875,029	79,677	15,216	32,819	2,306,781
Disposal/Adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2018	13,361,447	-	-	102,673	3,469,037	179,975	169,160	232,017	17,514,307
Net carrying amount									
As at March 31, 2017	30,637,292	702,307,019	-	22,945	6,489,993	495,168	31,756	45,030	740,029,204
As at March 31, 2018	29,347,296	702,307,019	-	8,902	5,725,652	415,491	46,739	12,211	737,863,311



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

Note - 2

Non-Current Investments

Sr. No.	PARTICULARS	As at 31st March, 2018		As at 31st March, 2017			
		Nos.	Face Value (Rs.)	Amount (Rs.)	Nos.	Face Value (Rs.)	Amount (Rs.)
	Non-Current Investments						
	(At Cost)						
	Equity Shares Fully Paid Up of Subsidiary Companies - Unquoted						
	Investment in Jindal Intellicom Limited	10,776,770	10	108,754,470	10,776,770	10	108,754,470
	Aggregate value of unquoted investments			108,754,470			108,754,470



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

DESCRIPTION	(Amount in Rs.)	
	As at 31st March 2018	As at 31st March 2017
3 NON CURRENT- LOANS		
Loan and advance to related party - (refer note no 13 of notes to accounts)	106,773,944	111,360,251
Total Non Current Loans	106,773,944	111,360,251
4 FINANCIAL ASSETS - OTHERS		
Security Deposits	545,271	602,435
Fixed Deposit with remaining maturity of more than twelve months*	-	12,158,673
Total Financial Assets - Others	545,271	12,761,108
<i>*Pledged with bank as margin for bank guarantee</i>		
5 Deferred Tax Assets (net)		
(a) Deferred Tax Liability		
Difference between book and tax depreciation	(3,097,429)	(2,740,509)
Total Deferred Tax Liabilities	(3,097,429)	(2,740,509)
(b) Deferred Tax Assets		
Carried forward losses	24,433,320	26,802,329
Disallowance under Income Tax Act, 1961	414,520	261,225
Total Deferred Tax assets	24,847,840	27,063,554
Total Deferred tax assets (net)	27,945,269	29,804,062
6 INVENTORIES		
Scrap	900,000	900,000
Stores and consumables	4,270,543	3,847,740
Total Inventories	5,170,543	4,747,740
7 TRADE RECEIVABLES		
Unsecured, considered good		
From Related Party - (refer note no 13 of notes to accounts)	5,570,759	-
From Others	643,558	628,439
Total Trade Receivables	6,214,317	628,439



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

DESCRIPTION	(Amount in Rs.)	
	As at 31st March 2018	As at 31st March 2017
8 CASH AND CASH EQUIVALENTS		
Balances with Banks		
In Current Accounts	159,061	319,950
Cash on Hand	1,538	21,396
Total Cash and Cash Equivalents	160,599	341,346
9 CURRENT FINANCIAL ASSETS - LOANS		
Loans to Employees	12,000	13,000
Total Loans	12,000	13,000
10 CURRENT FINANCIAL ASSETS - OTHERS		
Interest accrued on Fixed Deposit	-	232,601
Total Financial Assets - Others	-	232,601
11 CURRENT TAX ASSETS (NET)		
Advance Taxation (Net)	3,442,457	-
Total Current tax assets (net)	3,442,457	-
12 OTHER CURRENT ASSETS		
Unsecured, Considered good		
Advance Recoverable in Cash or in kind	1,969,572	3,341,141
Other receivable from related party (refer note no 13 of notes to accounts)	-	17,841,394
Advance to vendor	1,007,523	1,063,158
Total Other Current Assets	2,977,095	22,245,693
13 EQUITY SHARE CAPITAL		
(a) AUTHORISED SHARE CAPITAL		
20,00,000 (Previous year 2,00,00,000) Equity Shares of Rs. 10/- each	20,000,000	200,000,000
25,00,000, 0.1% Non Cumulative Compulsorily Convertible Preference shares of Rs. 100/- each	250,000,000	250,000,000



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

DESCRIPTION	(Amount in Rs.)	
	As at 31st March 2018	As at 31st March 2017
(b) ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
20,00,000 (Previous year 20,00,000) Equity Shares of Rs. 10/- each	20,000,000	20,000,000
24,00,000, 0.1% Non Cumulative Compulsorily Convertible Preference shares of Rs. 100/- each	240,000,000	240,000,000
(c) RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR		
Shares outstanding at the beginning of the year	20,000,000	20,000,000
Issued during the year	-	-
Shares outstanding at the end of the year	20,000,000	20,000,000
(d) EQUITY SHARE OF THE COMPANY HELD BY :-	No of Shares	No of Shares
Jindal Saw Limited	2,000,000	2,000,000
(e) COMPULSORILY CONVERTIBLE PREFERENCE SHARE OF THE COMPANY HELD BY :-	No of Shares	No of Shares
Nalwa Sons Investment Limited	2,400,000	2,400,000
(f) SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:		
Name of the Shareholder		
Jindal Saw Limited*		
No. of Shares Held	2,000,000	2,000,000
% of Holding	100%	100%
* Including 700 Shares held by Person/Companies as nominee of Jindal Saw Limited		
(g) Terms/Rights attached to Equity Shares		
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) Nature and Purpose of Reserves		
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.		
Compound Financial instrument		
(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	(Amount in Rs.)	
	As at 31st March 2018	As at 31st March 2017
14 NON CURRENT PROVISIONS		
For Employee Benefits		
Leave Encashment	792,439	700,102
Total Non Current Provisions	792,439	700,102
15 OTHER NON CURRENT FINANCIAL LIABILITIES		
From Related Party - (refer note no 13 of notes to accounts)	79,322,455	92,900,000
Total Other Non Current Financial Liabilities	79,322,455	92,900,000
16 TRADE PAYABLES		
Dues to other than Micro and Small enterprises*	4,344,114	4,095,831
Total Trade Payables	4,344,114	4,095,831
*There are no Micro and Small Enterprises, to whom the Company owes dues as at 31st March, 2018. 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.		
17 OTHER CURRENT FINANCIAL LIABILITIES		
Due to Employees	218,105	476,646
Due to others	1,733,931	1,406,309
Total Other Current Financial Liabilities	1,952,036	1,882,955
18 OTHER CURRENT LIABILITIES		
Advance From related Party (refer note no 13)	-	15,336,261
Statutory Dues	691,759	306,370
Total Other Current Liabilities	691,759	15,642,630
19 CURRENT PROVISIONS		
For Employee Benefits		
Leave Encashment	27,658	18,648
Total Current Provisions	27,658	18,648



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

DESCRIPTION	(Amount in Rs.)	
	For the year ended 31st March 2018	For the year ended 31st March 2017
20 Revenue From Operations		
Repair of barges	25,517,976	12,782,134
Total	25,517,976	12,782,134
21 Other Income		
Interest Income on		
Fixed Deposit from banks	-	937,998
Other Loans and advances	11,098,013	3,238,090
Total	11,098,013	4,176,088
22 Changes in inventories of finished goods, work in progress and Stock-in-trade		
Opening Stock		
Work in Progress		
Scrap		900,000
Total Opening Stock		900,000
Closing Stock		
Work in Progress		
Scrap		900,000
Total Closing Stock		900,000
Total (Increase)/Decrease in Stock		-
23 Operational Expenses		
Power and Fuel	1,919,999	1,292,875
Repairs of Barge	9,714,591	7,102,561
Consumption of Stores and Spares	176,281	4,910,990
Total	11,810,871	13,306,426



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

DESCRIPTION	(Amount in Rs.)	
	For the year ended 31st March 2018	For the year ended 31st March 2017
24 <u>Employee Benefits Expense</u>		
Salaries and Wages	7,437,257	9,431,324
Contribution to provident and other funds	543,285	604,250
Workmen and Staff Welfare	146,961	267,750
Total	8,127,503	10,303,324
25 <u>Finance Costs</u>		
Interest on Inter Corporate Loans	29,643	7,726,701
Bank Charges	4,121	21,779
Other Interest	1,530	1,433,218
Total	35,294	9,181,698
26 <u>Depreciation</u>		
Depreciation	2,306,776	3,436,161
Total	2,306,776	3,436,161
27 <u>Other Expenses</u>		
Insurance	31,687	180,278
Legal and Professional	602,838	798,211
Repair and Maintenance	1,015,167	1,048,196
Postage, Telegrams and Telephone	163,506	130,277
Security Charges	2,599,951	2,500,095
Rates and Taxes	897,515	159,099
Printing and Stationary	51,070	43,036
Travelling and Conveyance	509,429	446,391
Vehicle Upkeep and Maintenance	-	239,041
Auditor's Remuneration		
As Audit Fees	50,000	50,000
As Tax Audit Fees	-	20,000
Others	-	-
Donation	-	2,501
Rent	-	80,000
Loss /(Gain) on Foreign Exchange	-	7,000
Miscellaneous Expenses	1,802,156	1,865,792
Expense for Cancellation of contract	10,034,553	-
Total	17,757,871	7,569,917



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Note no: 28

1. Corporate and General Information

JITF Shipyards 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: 28

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: 28

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: 28

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: 28

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.



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Note no: 28

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

Ind AS 115 - Revenue from Contracts with Customers

In March 2018, the Ministry of Corporate Affairs had notified Ind AS 115 (Revenue from Contracts with Customers) which would be applicable for accounting periods beginning on or after 1 April 2018. This Standard establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. Revenue is recognised when a customer obtains control of a promised good or service. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices.



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Note no: 28

The Company is in the process of assessing the detailed potential impact of Ind AS 115, Revenue from Contracts with Customer on its financial statements and related disclosures. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements..

Appendix B to Ind AS 21 Foreign currency transactions and advance consideration

In March, 2018, the Ministry of Corporate Affairs (MCA) has notified Appendix B to Ind AS 21, foreign currency transactions and advance consideration which would be applicable for accounting periods beginning on or after 1 April 2018. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

Presently the Company is not able to reasonably estimate the impact of the application of the appendix B on the financial statements.

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



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Note no: 28

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

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, 2018 and March 31, 2017.

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:



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

As at 31st March, 2018

(Amount in Rs.)

Particulars	Not due not impaired (including unbilled)				Total
		<6 months	6-12 months	1 years & Above	
Trade receivable					
Unsecured		5,570,759	-	643,558	6,214,317
Total	-	5,570,759	-	643,558	6,214,317

As at 31st March, 2017

(Amount in Rs.)

Particulars	Not due not impaired (including unbilled)				Total
		<6 months	6-12 months	1 years & Above	
Trade receivable					
Unsecured		-	-	628,439	628,439
Total	-	-	-	628,439	628,439

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, Derivatives and other liabilities (FY 2017-18)

(Amount in Rs.)

Particulars	Ageing as at March 31,2018					Total
	Carrying Amount	On demand /Overdue	< 6 months	6-12 months	> 1 years	
Interest bearing Borrowings	-	-				-
Other financial liabilities	1,952,036	-	1,952,036	-	-	1,952,036
Trade payble	4,344,114		4,344,114			4,344,114
Total	6,296,150	-	6,296,150	-	-	6,296,150

Trade payable ageing, Derivatives and other liabilities (FY 2016-17)

(Amount in Rs.)

Particulars	Ageing as at March 31,2017					Total
	Carrying Amount	On demand /Overdue	< 6 months	6-12 months	> 1 years	
Interest bearing Borrowings	-	-				-
Other financial liabilities	1,882,955	-	1,882,955	-	-	1,882,955
Trade payble	4,095,831		4,095,831			4,095,831
Total	5,978,786	-	5,978,786	-	-	5,978,786



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

Interest rate & currency of borrowings

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

Capital risk management

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

The Gearing ratio for FY 2017-18 and 2016-17 is an under:

Particulars	(Amount in Rs.)	
	As of March 31, 2018	As of March 31, 2017
Loans and borrowings	-	-
Less: cash and cash equivalents	160,599	341,346
Net debt	(160,599)	(341,346)
Total capital	912,728,815	918,220,450
Capital and net debt	912,568,216	917,879,104
Gearing ratio	-0.02%	-0.04%

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.

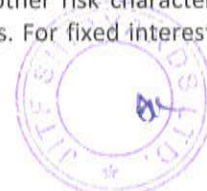
Particulars	(Amount in Rs.)			
	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at amortised cost				
Fixed deposits with banks	-	-	-	-
Cash and bank balances	160,599	160,599	341,346	341,346
Trade and other receivables	6,214,317	6,214,317	628,439	628,439
Loans	106,785,944	106,785,944	111,373,251	111,373,251
Other financial assets	545,271	545,271	12,993,709	12,993,709
	113,706,131	113,706,131	125,336,745	125,336,745
Financial liabilities designated at amortised cost				
Borrowings- fixed rate	-	-	-	-
Borrowings- floating rate	-	-	-	-
Trade & other payables	4,344,114	4,344,114	4,095,831	4,095,831
Other financial liabilities	1,952,036	1,952,036	1,882,955	1,882,955
	6,296,150	6,296,150	5,978,786	5,978,786

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



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

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.

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, 2018		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- fixed rate		-	
Other financial liabilities		1,952,036	

(Amount in Rs.)

Particulars	As at March 31, 2017		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- fixed rate		-	
Other financial liabilities		1,882,955	

During the year ended March 31, 2018 and March 31, 2017, 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.



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

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, 2018 and March 31, 2017, respectively:

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.)

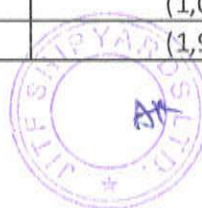
Description	Year ended March 31, 2018	Year ended March 31, 2017
Current tax		
Deffered Tax		
> Relating to origination & reversal of temporary differences	(863,253)	12,301,771
> Relating to Change in tax rate	(1,054,106)	(3,514,795)
Tax (expense)/income attributable to current year's profit	(1,917,359)	8,786,976

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	2017-18	2016-17
	Net Loss(Income) before taxes	3,422,326	49,170,783
	Enacted tax rates	27.820%	28.840%
	Computed tax Income (expense)	952,091	14,180,854
	Increase/(reduction) in taxes on account of:		
1	Reversal of Deffered tax of Previous Years	(1,815,344)	(69,667)
2	Other non deductible expenses	-	(195,769)
3	Income not taxable/exempt from tax	-	
4	Tax on which no deduction is admissible		
5	Capital gain on sale of fixed assets		(1,613,646)
6	Change in rate of taxes	(1,054,106)	(3,514,795)
	Income tax income(expense) reported	(1,917,359)	8,786,976



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

9. Deferred income tax

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

(Amount in Rs.)

Desription	Year ended March 31, 2018	Year ended March 31, 2017
Book base and tax base of Fixed Assets	356,920	10,042,766
(Disallowance)/Allowance(net) under Income Tax	153,295	261,225
Brought forward losses set off	(2,427,574)	(1,517,014)
Total :	(1,917,359)	8,786,976

Component of tax accounted in OCI and equity

(Amount in Rs.)

Desription	Year ended March 31, 2018	Year ended March 31, 2017
Component of OCI		
Deferred Tax (Gain)/Loss on defined benefit	(58,565)	71,685

10. Retirement benefit obligations

1. Expense recognised for Defined Contribution plan

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Company's contribution to provident fund	341,669	405,369
Company's contribution to ESI	84,524	62,773
Company's contribution to superannuation fund	-	-
Total	426,193	468,142

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, 2016	580,458	567,534
Current service cost	126,639	274,301
Interest cost	43,534	42,565
Benefits paid	-	(145,001)
Acquisitions / Transfer in/ Transfer out	-	-
Remeasurements - actuarial loss/ (gain)	(242,686)	(20,648)
Present value of obligation - March 31, 2017	507,945	718,751
Present value of obligation - April 1, 2017	507,945	718,751
Current service cost	134,161	217,819
Interest cost	39,366	55,703
Benefits paid	(193,846)	(368,458)
Acquisitions / Transfer in/ Transfer out	-	-
Remeasurements - actuarial loss/ (gain)	182,283	196,282
Present value of obligation - March 31, 2018	669,909	820,097



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

3. Movement in Plan Assets – Gratuity

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Fair value of plan assets at beginning of year	854,306	794,024
Expected return on plan assets	66,209	59,552
Employer contributions	7,800	(5,145)
Benefits paid	(193,846)	-
Amount received on redemption of plan assets		
Acquisitions / Transfer in/ Transfer out		
Actuarial gain / (loss)	(28,232)	5,875
Fair value of plan assets at end of year	706,237	854,306
Present value of obligation	669,909	580,458
Net funded status of plan	36,328	213,566
Actual return on plan assets	37,977	65,426

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

4. Recognised in profit and loss

Particulars	Gratuity	Compensated absence
Current Service cost	134,161	217,819
Interest cost	39,366	55,703
Expected return on plan assets	(66,209)	-
Remeasurement - Actuarial loss/(gain)	-	196,282
Past service cost	-	-
For the year ended March 31, 2018	107,318	469,804
Current Service cost	126,639	274,301
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	110,621	296,218
Actual return on plan assets	37,977	-

5. Recognised in other comprehensive income

Particulars	Gratuity	Compensated absence
Remeasurement - Actuarial loss/(gain)	210,515	-
For the year ended March 31, 2018	210,515	-
Remeasurement - Actuarial loss/(gain)	(248,561)	-
For the year ended March 31, 2017	(248,561)	-



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

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, 2018	As of March 31, 2017
Attrition rate		
Discount Rate	7.75%	7.50%
Expected Rate of increase in Compensation levels	6.50%	6.50%
Expected Rate of Return on Plan Assets	7.75%	7.50%
Mortality rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected Average remaining working lives of employees (years)	16.30	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:

For the year ended March 31, 2018

Particulars	change in Assumption	Effect on Gratuity obligation	Effect on compensated absence obligation
Discount rate	+1%	598,380	734,144
	-1%	753,215	919,924
Salary Growth rate	+1%	753,431	920,178
	-1%	596,970	732,447
Withdrawal Rate	+1%	671,837	828,681
	-1%	667,085	810,551

For the year ended March 31, 2017

Particulars	change in Assumption	Effect on Gratuity obligation	Effect on compensated absence obligation
Discount rate	+1%	448,667	636,903
	-1%	577,726	814,860
Salary Growth rate	+1%	577,726	814,860
	-1%	447,642	635,480
Withdrawal Rate	+1%	507,813	725,732
	-1%	507,452	711,005

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, 2018		
Plan Liabilities - loss/(gain)	199,571	213,126
Plan Assets - (loss)/gain	(28,232)	-
For the year ended March 31, 2017		
Plan Liabilities - loss/(gain)	(268,637)	(49,484)
Plan Assets - (loss)/gain	5,875	-



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

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

Particulars	Gratuity
01 Apr 2018 to 31 Mar 2019	12,838
01 Apr 2019 to 31 Mar 2020	22,596
01 Apr 2020 to 31 Mar 2021	23,314
01 Apr 2021 to 31 Mar 2022	23,314
01 Apr 2021 to 31 Mar 2023	23,314
01 Apr 2023 Onwards	687675

9. Statement of Employee benefit provision

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gratuity	-	-
Compensated absences	820,097	718,751
Other employee benefits	-	-
Total	820,097	718,751

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, 2018

Particulars	Gratuity	Leave Encashment
Current provision	-	27,658
Non current provision	-	792,439
Total Provision	-	820,097

For the year ended March 31, 2017

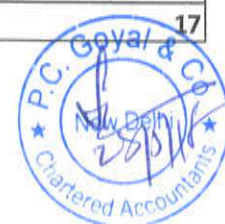
Particulars	Gratuity	Leave Encashment
Current provision	-	18,649
Non current provision	-	700,102
Total Provision	-	718,751

11. Employee benefit expenses

Employee benefit expenses	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and Wages	7,437,257	9,431,324
Costs-defined benefit plan	-	-
Costs-defined contribution plan	543,285	604,250
Welfare expenses	146,961	267,750
Total	8,127,503	10,303,324

(Figures in no.)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Average no of people employed	16	17



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

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, 2018	For year ended March 31, 2017
Statutory Auditors		
a) Audit Fees	50,000	50,000
b) Tax Audit Fees	-	20,000
Total	50,000	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, 2018	As of March 31, 2017
Guarantees issued by company's banker on behalf of the Company	-	10,000,000
Total	-	10,000,000

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)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

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)



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

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
Transactions during the year						
Services received						
Jindal ITF Ltd.	Nil	Nil	577,340	Nil	Nil	Nil
Security deposits Received						
JITF Coal Logistics Ltd.	Nil	Nil	Nil	200,000	Nil	Nil
Advance given/repaid						
Hexa Tradex Limited	Nil	Nil	Nil	Nil	Nil	37,100,000
Advance taken/received back						
Jindal Saw Limited	Nil	13,845,899	Nil	Nil	Nil	Nil
Services rendered (Repair of Barges):						
Jindal ITF Ltd.	Nil	Nil	24,182,904	12,782,135	Nil	Nil
Interest received:						
Glebe Trading Private Limited	Nil	Nil	Nil	Nil	11,015,214	Nil
Interest Paid:						
Jindal Saw Limited	29,643	Nil	Nil	Nil	Nil	Nil
Glebe Trading Private Limited	Nil	Nil	Nil	Nil	Nil	7,726,702
Loan repaid						
Glebe Trading Private Limited	Nil	Nil	Nil	Nil	Nil	85,489,311
Loan given						
Glebe Trading Private Limited	Nil	Nil	Nil	Nil	Nil	108,122,159
Loan received back						
Glebe Trading Private Limited	Nil	Nil	Nil	Nil	14,500,000	Nil
Investment Sold						
Glebe Trading Private Limited	Nil	500,000	Nil	Nil	Nil	Nil



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

Related party Balances

(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
Balances as on 31st March, 2018						
Share Capital including Share Premium Jindal Saw Limited	20,000,000	20,000,000	Nil	Nil	Nil	Nil
Advance Payable to Hexa Tradex Limited	Nil	Nil	Nil	Nil	79,322,455	92,900,000
Jindal ITF Ltd.	Nil	Nil	Nil	15,336,261	Nil	Nil
Amount Receivable from Jindal ITF Ltd.	Nil	Nil	5,570,759	Nil	Nil	Nil
Loan Receivable : Glebe Trading Private Limited	Nil	Nil	Nil	Nil	106,773,945	111,360,250
Jindal Saw Limited	Nil	17,841,395	Nil	Nil	Nil	Nil
Investment in Equity Shares of Jindal Intellicom Limited	Nil	Nil	108,754,470	108,754,470	Nil	Nil

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 March 31, 2018	Year ended March 31, 2017
Issued equity shares	2,000,000	2,000,000
Weighted average shares outstanding - Basic and Diluted - A	2,000,000	2,000,000

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, 2018	Year ended March 31, 2017
Profit and loss after tax - B	(5,339,685)	(40,383,807)
Basic Earnings per share (B/A)	(2.67)	(20.19)
Diluted Earnings per share (B/A)	(2.67)	(20.19)

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.



JITF SHIPYARDS LIMITED (Previously Known as JITF Waterways Limited)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
Note no: 28

15. Exceptional items represent loss on sale of barge

(Amount in Rs.)

Particulars	For year ended March 31, 2018	For year ended March 31, 2017
Exceptional items		
Loss on sale of barge	-	22,331,479
Total	-	22,331,479

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

17. Notes 1 to 16 are annexed and form integral part of Financial Statements.

P.C. GOYAL & CO.

Chartered Accountants

Firm Registration No. 002368N



M.P. Jain

Partner

M.No. 082407



Place: New Delhi

Dated: 23rd May, 2018

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



DILIP KUMAR NANDI

CFO